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# South and East Asia Report

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## SOUTH AND EAST ASIA REPORT

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## CONTENTS

## AUSTRALIA

## Briefs

Changes in Diplomatic Representations	1
Wheat Production	1
Balance of Payments, Trade	1
Passport Issue Restrictions	1
'Urgent Food Aid' to Timor	1
Victoria Omega Base Threatened Closure	2

## BURMA

## Briefs

Ambassador to FRG	3
CSSR Ambassador Appointment	3
Counterfeit Notes Seized	3
Ambassador to Poland	3
Ambassador to Finland	3
Ambassador to Thailand	3

## INDIA

Delhi Paper Comments on Zia's No-War Pact Offer (K.V.S. Rama Sarma; NATIONAL HERALD, 1 Jan 82).....	4
Communist Paper Discusses Indian-U.S. Relations (C. P. Bhambhani; PATRIOT, 17 Dec 81).....	7
Gandhi Interview Remarks on Domestic Affairs (PATRIOT, 28 Dec 81).....	9
Report on Gandhi Message to Youth Congress-I (PATRIOT, 27 Dec 81).....	11
Gandhi Scores 'Communal Philosophy' of RSS (THE STATESMAN, 25 Dec 81).....	13

Gandhi Meets With Arab Envoys, Confirms Support (THE TIMES OF INDIA, 22 Dec 81).....	14
Jonathan Power Interview With Gandhi Reported (THE TIMES OF INDIA, 26 Dec 81).....	15
Gandhi Domestic, Foreign Policies Assessed (G. K. Reddy; THE HINDU, 20 Dec 81).....	17
Gandhi Speaks at Oil Exploration Institute (THE TIMES OF INDIA, 20 Dec 81).....	19
CPI National Council Meets, Communique Issued (PATRIOT, 24 Dec 81).....	20
CPI Draft Political Resolution Summarized (PATRIOT, 26 Dec 81).....	22
Details of Indo-USSR Trade Pact Given (THE STATESMAN, 25 Dec 81).....	24
Lok Sabha Passes African Development Fund Bill (THE STATESMAN, 25 Dec 81).....	25
Minister Announces Ratification of UNCTAD (THE TIMES OF INDIA, 23 Dec 81).....	26
Rao Meeting With Parliamentary Committee Reported (PATRIOT, 20 Dec 81).....	27
Press Reports Rao 17 Dec Remarks in Lok Sabha (THE HINDU, 18 Dec 81; PATRIOT, 18 Dec 81).....	29
Text of Statement Pakistan, Other Matters Discussed	
Writer Discusses India's Role in Africa (Maya Chadda; THE TIMES OF INDIA, 22, 23 Dec 81).....	32
Islamabad Embassy Protests Envoy's Treatment (PATRIOT, 22 Dec 81).....	35
Visiting Soviet Deputy Minister Interviewed (PATRIOT, 20 Dec 81).....	36
India To Ignore Curbs on Ambassador in Pakistan (G. K. Reddy; THE HINDU, 19 Dec 81).....	37
U.S. Aid Cut Reflects Reagan Priorities (N. Ram; THE HINDU, 18 Dec 81).....	38
West German Visitor Addresses Delhi Businessmen (THE TIMES OF INDIA, 15 Dec 81).....	39

India Condemns Golan Annexation in UN (THE HINDU, 18 Dec 81).....	41
Progress in Bangladesh Border Demarcation Told (THE STATESMAN, 15 Dec 81).....	44
Reagan Letter to Gandhi 'Not Encouraging' (THE STATESMAN, 16 Dec 81).....	45
Outcome of Sino-Indian Talks Analyzed (G. K. Reddy; THE HINDU, 16 Dec 81).....	47
Delhi Concerned Over Haig Visit Postponement (G. K. Reddy; THE HINDU, 15 Dec 81).....	49
Bulgarian Leader Speaks at Delhi Meeting (PATRIOT, 16 Dec 81).....	50
Delhi Attempts To Bring Home Indian Scientists (THE HINDU, 16 Dec 81).....	51
Public Sector Firms Seek Contracts in Iran, Iraq (THE STATESMAN, 17 Dec 81).....	52
Reserve Bank Reports on Currency, Finance (THE TIMES OF INDIA, 17 Dec 81; THE HINDU, 17 Dec 81)....	53
Report for 1980-81 Further Details Reported	
Trade Plans With Bulgaria, Ivory Coast Reported (THE TIMES OF INDIA, 17 Dec 81).....	55
Improvement of Trade Ties With Japan Discussed (THE TIMES OF INDIA, 21 Dec 81).....	57
India Expects To Benefit From EEC Tariff Scheme (THE STATESMAN, 23 Dec 81).....	58
'Minority Ministry' Named in Kerala (PATRIOT, 28 Dec 81).....	59
Indian Firms To Supply Mining Materials to USSR (THE STATESMAN, 17 Dec 81).....	61
Essential Goods Imports Costly, Inflation Slows (THE STATESMAN, 15 Dec 81).....	62
Soviet Union Plans Record Import of Indian Tea (THE STATESMAN, 18 Dec 81).....	63

State Firm To Export Machine Tools to USSR (THE TIMES OF INDIA, 20 Dec 81).....	64
PRC Delegation Told of Export Problems (PATRIOT, 27 Dec 81).....	65
Inventors, Scientists Get Import Substitution Awards (NATIONAL HERALD, 29 Dec 81).....	66
Nigerian Workers To Train in Indian Steel Plants (PATRIOT, 20 Dec 81).....	67
Trouble With U.S. Coal Shipments Reported (THE HINDU, 26 Dec 81).....	68
<b>Briefs</b>	
Ambassador to Gambia	69
Envoy to Indonesia, Guinea-Bissau	69
Envoy to Botswana	69
Loan to PDRY	69
Assam Tribal Protection	69
MIG-25 Crash	69
Aeroflot Officials Arrested	70
Indo-Romanian Pact	70
Ties With Iraq	70
Soviet Aid Plans	70
Indigenous Computer	71
Gandhi Travel Plans	71
Agricultural Development Loan	71
India-China Society	71
Foreign Ministry Denial	72
Youth Congress-I Secretary	72
Soviet Textile Order	72

#### KAMPUCHEA

Editorial Says Khmer Rouge Stance Buttresses SRV (Editorial; MOULKHMER, Dec 81).....	73
Thais, Khmer Rouge Spur Refugee Repatriation (Jacques de Barrin; LE MONDE, 4 Dec 81).....	75

#### PAKISTAN

Corruption Rampant in Government Offices (Sardar Iman Allah Khan; MASHRIQ, 2 Dec 81).....	78
Muslim League To Expel Federal Council Members (THE PAKISTAN TIMES, 6 Jan 82).....	80
Student Elections - Jamiat Loses Ground (VIEWPOINT, 24 Dec 81).....	81

Leader Favors Roundtable of Parties (DAWN, 7 Jan 82).....	82
Majlis-I Shoora Rules (DAWN, 6 Jan 82).....	83
Leader Hails Federal Council (DAWN, 6 Jan 82).....	84
Pledge for Islamic Order Repeated (MORNING NEWS, 9 Jan 82).....	85
Refutation of Indian Allegations About Pakistani Arms Purchases (Editorial; MASHRIQ, 4 Dec 81).....	86
Annual IBRD Loan Likely (DAWN, 8 Jan 82).....	88
'Recorder' Urges No Import of Banking, Insurance (Editorial; BUSINESS RECORDER, 7 Jan 82).....	89
Rupee Delinked From Dollar (DAWN, 8 Jan 82).....	90
Karachi Professors Charged Under Martial Law (Iqbal Jaffery; VIEWPOINT, 31 Dec 81).....	92
Rise in Exports to France Reported (MORNING NEWS, 8 Jan 82).....	93
Rupee Delinking Seen as Boost to Exports (DAWN, 8 Jan 82).....	94
Minister Pledges Clean Drinking Water (Fakhre Imam; MORNING NEWS, 9 Jan 82).....	95
Sui, Pirkoh Gas Integration Plan (THE PAKISTAN TIMES, 6 Jan 82).....	96
Saudi Help Expected for Fuel Oil Plant (Shahidur Rahman; MORNING NEWS, 8 Jan 82).....	97
Editorial on Oil Sees It as a 'New Hope' (Editorial; DAWN, 7 Jan 82).....	98
Rice Sales Terms Made Final (MORNING NEWS, 7 Jan 82).....	100
<b>Briefs</b>	
Convictions for Subversive Materials	101
Book Forfeited in Punjab	101
Book Forfeited in NWFP	101

Professors' Grievances Reported	101
Federal Council Committees Formed	102
Mr Bhutto on Council	102
JUI Opposes Federal Action	102
Bar Association Action	102
Fertilizer, Ghee Prices	102
Police Academy Planned	103
Leaders Barred From Punjab	103
Federal Council Session	103
Malaysian Delegation Arrives	103
Pakistan-Saudi Company	104
Exports of Rice, Cotton at 50 Percent	104
Prince Philip To Visit	104
Party Appeals for Alliance	104

#### PHILIPPINES

##### Briefs

Strike Protection Law Proposed	105
Philippine Coconut Oil	105
Land for KKK Projects	105
Livelihood Program Funds Increased	106

#### SRI LANKA

British Minister Discusses Tamil Issue (AFP, 16 Jan 82).....	107
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#### THAILAND

U.S. Middle East Military Exercises Criticized (SIAM RAT SAPPADA WICHAN, 29 Nov 81).....	109
Lao Exiles Use Thailand as Base for Anti-LPDR Movements (SIAM RAT SAPPADA WICHAN, 15 Nov 81).....	112
Labor Leaders Predict Unrest Over Layoffs (SIAM RAT SAPPADA WICHAN, 29 Nov 81).....	117
Irregulars Paid for Body Counts; Atrocities, Alienation Feared (SIAM RAT SAPPADA WICHAN, 29 Nov 81).....	121

AUSTRALIA

BRIEFS

CHANGES IN DIPLOMATIC REPRESENTATIONS--The Australian Government has decided to appoint a resident ambassador to Jordan. At present the Australian ambassador to Syria is accredited to Jordan on a nonresidential basis. In his announcement on 12 January, the minister for foreign affairs, Mr Street, noted that Australia had increased its contact with Jordan in the last few years. In a separate statement, Mr Street announced that the Australian Consulate in Messina, Italy, is to close after operating for 13 years. Mr Street said it had been decided that the Australian Embassy in Rome could adequately perform consular and immigration duties for the southern region of Italy. [BK130617 Melbourne Overseas Service in English 12 Jan 82]

WHEAT PRODUCTION--Australia's wheat crop this season looks like being the third biggest on record. The Bureau of Agricultural Economics estimates that the almost completed harvest will yield a total of 16.1 million tons. Australia's winter cereal production is also expected to be the third largest on record with a total crop of 21 million tons. [BK130617 Melbourne Overseas Service in English 0830 GMT 12 Jan 82]

BALANCE OF PAYMENTS, TRADE--Australia's balance of payments registered a surplus last month [December] ending 5 consecutive months of deficit. Figures issued by the Bureau of Statistics show a surplus of \$183 million or U.S. \$204 million, despite a deficit in the balance of trade of \$100 million. That deficit--the lowest for 7 months--was more than offset by capital inflow which rose by \$200 million to almost \$730 million. In the first 6 months of the financial year which began last July, a total balance of payment deficit of almost \$1,300 million was recorded. [Text] [BK150751 Melbourne Overseas Service in English 0830 GMT 14 Jan 82]

PASSPORT ISSUE RESTRICTIONS--Tighter controls have been imposed on the issue of Australian passports. Under new rules, people applying for passports have to produce documents other than birth certificates to prove their identity. Explaining the move, a foreign affairs spokesman said recent judicial inquiries had revealed several cases where bogus Australian passports had been used by international drug dealers. He said it would take longer to obtain a passport under the new rules. [Text] [BK080009 Melbourne Overseas Service in English 0500 GMT 5 Jan 82]

'URGENT FOOD AID' TO TIMOR--Australia is to provide urgent food aid to East Timor following predictions of a famine in the Indonesian Province. In Canberra today,

the foreign minister, Mr Street, said the Australian Government would provide East Timor with 1,000 tons of corn worth \$436,000, that is, about half a million dollars American. The minister said the corn was expected to be shipped to the capital, Dili, within the next few weeks. Mr Street said the shipment would go into a grain buffer stock which the Red Cross, with the agreement of the Indonesian Government, had decided to establish in East Timor last year. He said that the government was also providing an additional \$50,000 to support the continued involvement of the Red Cross in the province. Earlier, the Australian council for overseas aid called for an independent report on the food situation in East Timor. The council chairman, Mr Alston, said a group representing Australian overseas aid agencies should be allowed to visit East Timor to determine the real needs of the inhabitants. The call follows reports by the Roman Catholic authorities in the province which predict famine there unless substantial assistance is received from overseas. A spokesman for the Indonesian Embassy in Canberra has denied the possibility of famine but said regular food shipments are being made from Jakarta to East Timor. [Text] [BK110913 Melbourne Overseas Service in English 0830 GMT 11 Jan 82]

VICTORIA OMEGA BASE THREATENED CLOSURE--The federal government may close down Australia's Omega Navigation Base in Victoria if it finds American submarines are involved in its use. The threat was made by the housing and construction minister, Mr McVeigh, when he inspected the communications tower which is almost ready for operation. Mr McVeigh said final work on the base should be completed by the middle of this year and the base should be fully operational before the end of the year. However, Mr McVeigh said if it was found that the Australian base was being used for military purposes, the federal government would consider closing it. [Text] [BK130954 Melbourne Overseas Service in English 0830 GMT 13 Jan 82]

CSO: 4220/191

## BRIEFS

AMBASSADOR TO FRG--The president of the Socialist Republic of the Union of Burma [SRUB] has appointed U Than Lwin, director general, protocol department, ministry of foreign affairs, as ambassador extraordinary and plenipotentiary of the SRUB to the Federal Republic of Germany. [Text] [BK23111 Rangoon WORKING PEOPLE'S DAILY in English 15 Dec 81 p 1]

CSSR AMBASSADOR APPOINTMENT--The government of the Socialist Republic of the Union of Burma [SRUB] has agreed to the appointment of Jozef Bozek as ambassador extraordinary and plenipotentiary of the Czechoslovak Socialist Republic to the SRUB, in succession to His Excellency Dr Miroslav Zemla. [Excerpt] [BK23111 WORKING PEOPLE'S DAILY in English 22 Dec 81 p 1]

COUNTERFEIT NOTES SEIZED--Subinspector of police U Tin Myint and party from Moulmein Township People's Police Force seized 103 counterfeit notes 100 kyat denomination from four men at Mmyawint Ward, Moulmein, on 3 December morning. The four men were among the passengers who were waiting for the ferry boat to go over to Syaungbinseik Village, Kyaikmaraw Township. They were handed over to Daingwunkwin police station what they have been booked under section 489.B of the Penal Code. [BK301011 Rangoon WORKING PEOPLE'S DAILY in English 17 Dec 81 p 4]

AMBASSADOR TO POLAND--The president of the Socialist Republic of the Union of Burma has appointed U Hla Shwe, ambassador extraordinary and plenipotentiary of the Socialist Republic of the Union of Burma to the Czechoslovak Socialist Republic, concurrently as Burmese ambassador to the Polish People's Republic. [BK231143 Rangoon WORKING PEOPLE'S DAILY in English 12 Dec 81 p 1]

AMBASSADOR TO FINLAND--The president of the Socialist Republic of the Union of Burma has appointed U Kyaw Khin, ambassador extraordinary and plenipotentiary of the Socialist Republic of the Union of Burma to the Union of Soviet Socialist Republics, concurrently as Burmese ambassador to the Republic of Finland. [BK231143 Rangoon WORKING PEOPLE'S DAILY in English 11 Dec 81 p 1]

AMBASSADOR TO THAILAND--The president of the Socialist Republic of the Union of Burma has appointed U Soe Myint as ambassador extraordinary and plenipotentiary of the Socialist Republic of the Union of Burma to the Kingdom of Thailand. [Text] [BK231143 Rangoon WORKING PEOPLE'S DAILY in English 16 Dec 81 p 1]

CSO: 4220/191

## DELHI PAPER COMMENTS ON ZIA'S NO-WAR PACT OFFER

BK010632 Delhi NATIONAL HERALD in English 1 Jan 82 pp 1, 6

(Article by K.V.S. Rama Sarma)

[Text] New Delhi, 30 Dec--As the decks are now being cleared for a possible dialogue on Pakistan's "offer" of a no-war pact, the question that is being asked persistently in political and diplomatic circles is: Is the Pact a ploy?

To analyse the so-called offer dispassionately, it is necessary to take a close look at the background, the setting in which it was made and what really constitutes a pact of its kind and what are the factors that sustain it and finally what it means to India and Pakistan.

The "offer" itself came as a surprise to India, because it was tucked away virtually as a tailpiece at the end of a long statement by the Pakistan Government on Sept. 15 justifying the acceptance of a 3.2 billion dollar U.S. package of military supplies, including F-16's.

As someone said it looked as though Pakistan Foreign Minister Agha Shahi was to fly to India by an F-16 to talk about a no-war pact; and to add insult to injury, the offer came through a public pronouncement, as if to say "To whom it may concern."

What Pakistan actually suggested was "consultations with India for the purpose of exchanging mutual guarantees of nonaggression and nonuse of force in the spirit of the Simla Agreement." The intention was kept unclear and possibly because of this, the Indian Government had decided to go cautious on the matter.

But subsequent pronouncements of Pakistani leaders about force level reduction, South Asia as a zone of peace, Kashmir, etc, did throw more light on the thinking of the Pakistan Government and when these statements are read with the offer, there is practically little to talk about.

In retrospect, it looks [as though] India had done the right thing in not plunging into a dialogue soon after the public offer was made. Now the point is that if Pakistan is making the same offer India had made 31 years ago, then logically its previous rejection of India's offer should stand annulled.

This means the grounds on which Pakistan had based its rejection for 31 years stand withdrawn. It is a well-known fact that the sole ground of rejection of the Indian offer by Pakistan all along has been the Kashmir question. Has Pakistan resiled from its stand on the Kashmir issue vis-a-vis the no-war pact offered by India?

A clear hint in this regard was given by External Affairs Minister Narasimha Rao when he told parliament that "on this basis, Pakistan's offer constitutes an acceptance of India's standing offer."

There is a viewpoint that harking back on 1949 would mean returning to all those old arrangements. But this point was clarified by Mr Rao in his reply to the debate on foreign affairs in the Lok Sabha.

He made it clear that a no-war pact would be (A) in amplification of the Simla Agreement, because use of force or threat of use of force have been eschewed deliberately by both sides by unanimity, (B) in the bilateral framework, decided upon in that agreement, and (C) as stated earlier, on the basis that Pakistan's "offer" constitutes the acceptance of India's offer of the no-war pact made in 1949.

In considering the Pakistani offer, one has to take into account the recent developments relating to that country. It has acquired the status of a "front-line state" and the massive arms build-up it is undertaking is directly related to this fact. And the new "security relationship" Washington has established with Islamabad adds a new dimension to the whole affair.

Whatever may be the claims of Pakistan, the offer is not a mere Indo-Pak affair; this is part of a wider scenario provided by the "strategic consensus" so unambiguously spelt out by the U.S. administration for several months and which has been in operation in some form or another for decades.

India is not part of this consensus or any other of a similar nature and is determined to remain non-aligned to the core. What then would be the concrete outcome in terms of India's interests of a no-war pact between India and Pakistan? This question is legitimately bothering many in India because Pakistan has already taken enough measures to insulate itself against the provisions of a possible pact.

Even after conclusion of the pact, Pakistan would still be entitled to pile up sophisticated arms, presumably as a "frontline state," vis-a-vis Afghanistan or the Soviet Union. It would perhaps not be charged with violating the no-war pact with India, since it could always be said that Pakistan was operating in a totally different context of international relations.

India, on the other hand, would not have the same scope because it has not been conferred the status of a "frontline state." Any attempt on its part to match Pakistan's armaments would most certainly be seen as a serious violation of the no-war pact.

The pact would place an implied embargo on India acquiring arms, howsoever essential, while a corresponding consideration would not apply to Pakistan. Since

India has nothing corresponding to President Zia's "American connection," this will inevitably result in India's isolation and will pose a serious threat to its security.

This can be avoided only if the no-war pact dissuades Pakistan from becoming part of the "strategic consensus" and it extricates itself totally from such a possibility. But, will Pakistan do this? Besides these security implications, what should be considered in the context of a no-war pact is the creation of a climate that could sustain the pact.

It is a well-known fact that for quite some time Pakistan has been making determined effort to embarrass India to score propaganda points and to project itself to the world as a small, weak and helpless country living in perpetual terror and danger. And internally, it has not been allowing its media to publish news that emanates from India. A recent visitor was shocked to find that India's comments on the Pakistani offer were not published in the Pakistan press at all. No no-war pact can succeed unless there is free flow of information.

While considering the no-war pact, it is necessary also to keep in mind the "package" offered by Chinese leader Deng Xiaoping. Both are neighbours and different yardsticks cannot be applied to the relations with them.

Another pertinent question that is often asked is: Should India be involved in interminable debate, both at home and abroad, on Indo-Pak relations, and in the process be equated with Pakistan to an extent which is out-of-all proportions to the relative positions of the two countries?

CSO: 4220/7618

## COMMUNIST PAPER DISCUSSES INDIAN-U.S. RELATIONS

New Delhi PATRIOT in English 17 Dec 81 p 2

[Article by C. P. Bhambhri]

[Text]

THE premises of President Reagan's foreign policy are now public and deserve a scrutiny. President Reagan has built a global strategy on the basis of an inheritance which was handed over to him by President Carter. President Carter and the American Congress killed SALT-II and in this process revived the spirit of cold war of the 50's and 60's, and thus destroyed detente which was meticulously built by the Soviet Union in its global relationships with the US. Increased confrontation now marks the US-USSR relationships.

A few significant developments occurred in West Asia, and the US response to the collapse of the Shah of Iran revealed the thinking processes of policy-makers in the Carter administration. The Shah of Iran was an important military ally of the United States and he acted as a regional policeman on behalf of the US. After his fall, the Carter administration successfully delinked Egypt from Arab countries under the Camp David Agreement, and promised military aid worth \$ 3 billion to President Sadat in a bid to replace the Shah in West Asia. The outcome of these events of 1978-79 in West Asia is that the US foreign policy leans heavily on its military allies, and that

the US has increased its emphasis on military solutions to world problems.

President Reagan and his foreign policy and security advisers took President Carter's perspective to a logical end by proclaiming a doctrine of 'strategic consensus' which has meant that the United States would provide funds for arms build-up in various regions of the world and identify regimes which would accept the US perspective on world affairs. In this, policy of strategic consensus, the US has found allies in Egypt, Sudan, Somalia, Oman and Pakistan.

The United States is equipping its allies with the latest arms and is holding joint military exercises with these countries. The US has got new military bases in Egypt and Kenya and it is strengthening its build-up in the Indian Ocean. In pursuit of its aggressive military solutions the US is not only searching for new allies, it is also militarily strengthening its traditional allies like Israel and South Africa, who on their part are committed to military solutions on global scale. Israel attacked Iraqi nuclear installations, South Africa has waged war in Angola and the Egyptians are threatening to intervene in Libya.

Thus a pattern is emerging in which regional allies of the US with its support are following aggressive military policies, and a definite opinion exists in India that Pakistan, an important military ally of the US would follow the same pattern of aggressive armed interventions. This framework of American foreign policy is fully confirmed by military expenditures sanctioned by Congress for 1980 and 1981 which is about \$180 billion and \$ 208 billion respectively.

The Camp David Agreement, one must remember, which was the first step in military approach of the United States in global affairs precedes the so-called Russian involvement in Afghanistan which knocks the base out of the US claim that they are helping Pakistan because of the Russian presence in Afghanistan. India cannot forget its past experience of US military aid to Pakistan.

India finds itself in fundamental disagreement with the basic postulates of the US doctrine of military solutions to world problems. India believes that detente is essential for world peace, and supply of sophisticated arms to different countries by the US is bringing the world nearer to war. The

bilateral issues such as supply of fuel to Tarapur plant cannot be understood without sorting out the basic contradictions between the perspectives of these two countries. Many European allies of the US, and members of NATO also do not share the American perspective on foreign policy. Anti-nuclear peace marches in many European cities show the great concern and anxiety of peace-loving people who fear that the United States is out to make an Euro-snima by stock-piling nuclear missiles in their countries.

India is not only apprehensive of American global militarism and its direct impact on its security, it is also concerned that the American Government is linking economic aid to the developing countries with military aid. The US policy-makers have posed a choice to India either you receive military and economic aid as a part of package of strategic consensus or you are out of it. India along with many other third-world developing countries is involved in an international class struggle against the exploitative international economic order, and this struggle again brings India in confrontation with the United States.

The US is also following the policy of weakening multilateral institutions of aid for development of the Third World. At the North-South Conference held at Cancun, President Reagan did not give any hope of economic aid to the developing countries. While the United States is prepared to spend more than \$ 200 billion on arms, it is not ready to spend even \$ 10 billion on economic aid to the developing countries.

The US is strengthening its presence in the Indian Ocean, and India as a littoral state feels threatened by military buildup in the Indian Ocean. American involvement in Pakistan reminds

Indians of the Dulles era and cold war phase of 50's and 60's. The United States used Pakistan to pressure India and it became very clear during Sino-Indian border dispute of 1962. Mr John K Galbraith, the then US Ambassador to India, has vividly described the role of the United States in October-November of 1962. In his book the Ambassador's Journal, Galbraith reveals pressures brought by the US on India to resolve the Kashmir problem with Pakistan. That the Americans did not succeed in their pressure tactics against India is a different story. How can India forget that the US refused to supply spare parts during the India-Pakistan war of 1965, and that it wanted to punish us by cutting our economic aid in 1971 because of the Bangladesh war?

The Americans perceive India's foreign policy as tilted in favour of the Soviet Union. It is very relevant to respond to this because the Americans force hostile security environment on us and then level such accusations. India's foreign policy is primarily based on peace and pursuit of peace cannot be achieved by arming for war. As a developing country, India has a vested interest in peace because an unnecessary burden of defence expenditure hampers the pace of our economic development. The US foreign policy of military aid and bases has not only involved India in wars, it has also compelled this country to spend increasing amounts on defence.

The Soviet Union has not built a military machine in any of our neighbouring countries. Hence India views the role of Soviet Union in global affairs and in the region of South Asia as positive. How does the US want us to react to the Soviet Union? Should India follow a policy of confrontation with the USSR which is following a foreign policy acceptable to India's national interests? Hence the US allegation of 'tilt' in India's foreign policy is a lame excuse for arming of Pakistan and militarisation of the Indian Ocean.

The direct consequence of the

US policies may be the nuclearisation of Pakistan, a development with grave consequences for our security and the security of the entire region. The American Congress and Administration is not concerned about nuclear potentialities of Pakistan. On the contrary, the US attitude towards nuclear Pakistan is one of indulgence.

The US policies are also discriminatory against India. Israel, an ally of the US, has not signed the Nuclear Non-Proliferation Treaty and it is assisted in its aggressive policies to build nuclear arsenal. India has not violated any agreements with the US still it is denied the supply of fuel for Tarapur plant.

India and the US foreign policy approaches are based on divergent perspectives and differences between these two countries are basic. A dialogue with the US for mutual understanding should be carried on strictly in the framework of reciprocity and on the basis of equality. India has developed enough capability to pursue its national interests without making any compromises.

GANDHI INTERVIEW REMARKS ON DOMESTIC AFFAIRS

New Delhi PATRIOT in English 28 Dec 81 pp 1, 7

[Text] Prime Minister Indira Gandhi has ruled out any change in the present parliamentary system of Government, reports PTI.

India cannot have a 'very different Constitution from what it has at present,' Mrs Gandhi told a western journalist in an interview in New Delhi.

In her observations which assume greater significance in the light of Opposition allegations that a switch-over to a Presidential system of Government was in the offing, Mrs Gandhi saw need for reforms in the educational, judicial and administrative systems but not in the case of 'any of our basic commitments in the Constitution'.

When the interviewer asked about a 'commission' to look into the possibility of different Parliamentary structures, Mrs Gandhi told him that no such commission had been set up.

'Some of our lawyers said that they wanted to do it and I said that the Government is not interested but if they want to' she replied during the interview which took place a few days ago.

The Prime Minister expressed the view that 'no matter what system you have, you cannot push the people. The rate of change is governed by the people'.

Answering a question on the Opposition parties, she said that they were desperate in trying to do 'all these things'.

She knew of no other country in the world where the 'Opposition's only task is to bring down the Government the minute it is elected. Is that democratic?' Mrs Gandhi said.

'But what we put up from our Opposition I can say with all the emphasis at my command no country in Europe or America will allow this' she added.

The journalist told her that the Opposition saw these things differently and talked about 'your recent anti-strike measures'.

'What else can they say?' the Prime Minister asked and went on to add, 'they have absolutely nothing else to say. They cannot say anything about the economy'.

The 'whole strategy' of the Opposition parties during this year had been 'to try to alienate' from her party those who supported it--the working classes, the farmers, the minorities, women and Harijans, Mrs Gandhi said.

But the Opposition, she said, was not going to succeed because the workers 'are with us and the workers have not complained'.

Explaining the reasons for measures to prevent strikes, Mrs Gandhi said that a great deal of money had been lost because of strikes in ports and defence establishments. Such things the country could not afford in the present economic situation.

She said that she had met very large groups of workers they understand the reasons for the measures taken. But the Opposition was trying to do everything possible to try and provoke them.

CSO: 4220/7599

REPORT ON GANDHI MESSAGE TO YOUTH CONGRESS-I

New Delhi PATRIOT in English 27 Dec 81 p 5

[Text] Prime Minister Indira Gandhi has regretted that the Opposition parties, in following their sectional objectives and their policies of "opportunism and vindictiveness", were unmindful of the harm they cause to national unity, reports PTI.

In a message to the national convention of the Youth Cong-I being held at Bangalore on 29 and 30 December she charged the Opposition with spreading suspicion, fomenting communal and caste antagonism, and 'making wild and reckless charges against us'.

The Prime Minister said the Opposition parties desperation seemed to grow in proportion to the success of her party achieved in the last two years in improving the performance of the infrastructure and putting the economy back on the rails.

'Even those who have consistently criticised us abroad are beginning to acknowledge our efforts', she said.

Mrs Gandhi said India's hope of economic regeneration would bear fruit only if there was an atmosphere of goodwill and co-operative endeavour. But she deplored that in the last few years the Opposition to the Congress had worked overtime to undermine the concepts of peaceful democratic change secular functioning, progressive reduction of disparities and the pursuit of independent foreign policies.

'These were the principles which the party of Mahatama Gandhi and Jawaharlal Nehru gave to the nation and which I am trying to implement since I was elected Prime Minister in 1966', she added.

Employment

Young people, Mrs Gandhi said, were particularly concerned about employment. But in a country which was 'heroically' fighting to get out of the impact of centuries of feudalism and colonialism, the creation of employment involved first of all the modernisation of the economic infrastructure. Even leading industrial countries had acute unemployment.

'Apart from looking to our five year plans of development to create more job opportunities, we in India have taken up specific programmes especially to absorb the energies of rural youth', she said.

Calling upon the Youth Congress to support the forces of cohesion and to build greater national self-confidence and mutual trust the Prime Minister advised the young workers to resist the wreckers. Only then they could build.

'Through selfless work, they must give prompt attention to the difficulties of our people, they must urge secular functioning at all times and bring an atmosphere of optimism to public life', she added.

CSO: 4220/7597

## GANDHI SCORES 'COMMUNAL PHILOSOPHY' OF RSS

Calcutta THE STATESMAN in English 25 Dec 81 p 1

[Text]

NEW DELHI, Dec. 24.—A remark by a Bharatiya Janata Party member that "We'll fight out the issue in the streets" prompted Mrs Gandhi to condemn in the Rajya Sabha today the "communal philosophy" of the Rashtriya Swayamsevak Sangh "to which we are opposed".

The Prime Minister's intervention came during the question hour. She said that the RSS represented the philosophy of fighting it out in the street. She also denied the allegation of Mr N. P. Sahai (L.D.) that the RSS had supported Mrs Gandhi during the 1980 elections. The RSS was fully supporting the Opposition against "us", she said.

The BJP member, Mr Jagannath Rao Joshi, regretted that the Prime Minister had not understood the purport of his remark. At one stage, he was heard saying: "shame on you". Another BJP member, Mr J. P. Mathur, was angrily telling Mr Joshi something. The chairman, Mr M. Hidayatullah, said that the proper word was "hustings" instead of streets. "I stand corrected", Mr Joshi said promptly amid noisy interruptions from the Congress (I) benches.

On this, the Prime Minister said that elections were not fought in the streets but through ballots. According to her, even if the member stood corrected, what Mr Joshi said was virtually that the issue is to be fought in the streets. The policy was central to the whole controversy about the RSS. "We firmly believe in talking through the ballot box and not going to the streets", she said.

The controversy arose when a Janata member, Syed Shahbuddin, asked the Government about the reported infiltration of RSS into the Government and wanted to know whether special instructions had been issued to civil servants to dissociate from the RSS activities. Mr Joshi was critical of the vindictiveness against the RSS without launching even a single case. Whether the RSS was a fascist or a communal organization, "let us fight it out in the streets and not in the House", he said angrily. He wanted to know from the Home Minister what the meaning of "secularism" was. This invited Mrs Gandhi's intervention.

The Prime Minister also intervened a little earlier to say that a civil servant should not have a "politics of his own" and if he failed to carry out the Government policies, it was "difficult to have him there". Her observation came after Mr Piloo Mody (J) had sought a clarification on remarks made earlier by Mr Zail Singh, Home Minister, about secularism and Socialism enshrined in the Constitution and the commitment of the Government servants to such beliefs. The Prime Minister said: "Somebody who does not believe in socialism has no place in our Government". When Mr Mody sought a clarification whether she meant the Government or the Administration Mrs Gandhi said that meant the Government. "We all follow the the British practice which was that a civil servant should not have any politics of his own", the Prime

Minister explained. The civil servant was there to carry out policies which were accepted by Parliament. That meant the policies represented by the ruling party of the time. "If a civil servant is not carrying out those policies, it was a little difficult to have him there", Mrs Gandhi stated.

Earlier, during supplementaries, Mr Zail Singh said that the RSS was a communal and dictatorial organization. He said that though the Government screened its employees, some people with affiliations with such organizations managed to infiltrate (in the Government).

CSO: 4220/7591

GANDHI MEETS WITH ARAB ENVOYS, CONFIRMS SUPPORT

Bombay THE TIMES OF INDIA in English 22 Dec 81 p 9

[Text] New Delhi, December 21--The Prime Minister, Mrs. Indira Gandhi, today assured Arab ambassadors here that India would continue to support the Arab cause in the present crisis created by the Israeli decision to annex the occupied Syrian territory of the Golan Heights.

Mrs. Gandhi gave the assurance when six Arab ambassadors called on her to apprise her of the present situation in West Asia. They said that Israel was harbouring designs to annex more Arab territories and was planning to destabilise the entire region.

The ambassadors were believed to have told Mrs. Gandhi that the Israelis annexed the Golan Heights when the Russians were bogged down in Afghanistan and the Polish crisis had erupted.

They discussed Indo-Arab relations in general and said: "We are always for improvement of our relations with India."

The ambassadors told newsmen after the meeting: "We are grateful to her for her assurance to stand by us as India has always done."

Moral Support

India's prompt condemnation of the "brutal and unprovoked action" by Israel over the Golan Heights had given considerable moral support to the Arabs, they said.

The delegation included the ambassadors of Jordan (Mr. Walid Durra), the Palestine Liberation Organisation (Mr. Faisal Ali Aweidah), Tunisia (Mr. A. Ounaias), the United Arab Emirates (Mr. Abdul Aziz Alowasis), the charge d'affaires of Syria (Mr. Abdul Salam Kolko) and the chief representative of the Arab League (Mr. Ali Al Hilli).

CSO: 4220/7583

## JONATHAN POWER INTERVIEW WITH GANDHI REPORTED

Bombay THE TIMES OF INDIA in English 26 Dec 81 p 1

[Text] New Delhi, December 25 (PTI)--The Prime Minister, Mrs. Indira Gandhi, has said that it is India's policy and deep belief that its interest lay in friendship with Pakistan, and that "this continent should stand together and on grounds of equality."

"We have accepted Pakistan," she said in dismissing as "nonsense" the Pakistani propaganda that India had never accepted it. While affirming India's policy of friendship with Pakistan, she did not think that the "outside world would like us to be real friends."

Replying to questions from a well-known Western columnist, Mr. Jonathan Power, during a recent interview, the Prime Minister said the Pakistani proposal for a reduction in men and arms on both sides of the border, had military reasons behind it. "Our people say that we would be at a great disadvantage if Pakistan commits an aggression," she said.

Recalling the initiatives she had taken to improve relations with Pakistan, Mrs. Gandhi said that she had declared a unilateral ceasefire after the 1971 war. She had taken the initiative to call Mr. Bhutto to India and sign the Simla agreement.

The words "no war" had not been used in the Simla agreement because Mr. Bhutto had stated that since it was the successive Indian prime ministers who had made the offer first, "Pakistanis were allergic to those words." Mr. Bhutto did not want to use them but "we could find the way in which the result was the same."

"And that is what," Mrs. Gandhi said, "the Simla agreement was because it said that we would solve all our differences through bilateral negotiations. Also that Pakistan would not raise any of these points in international forums."

"That comes to the same things as having a no-war pact, but President Zia did not approve of it. So no one can blame me of not wanting...," she said.

On the acquisition of sophisticated weapons by Pakistan, Mrs. Gandhi said India certainly had a cause to be worried about the F-16 planes because it had been invaded by Pakistan. "We have never attacked Pakistan on our own," she added.

When the interviewer used the expression of India "crying wolf so often," Mrs. Gandhi told him, "We have not cried wolf. We have never cried wolf before hand. We have only cried the wolf and the wolf has come."

Hitting out at the U.S. for supporting Pakistan, the Prime Minister said Pakistan has had the full support of the West from the very day of independence in every possible way, the press and the media and every other kind of support, military and other.

She told Mr. Power, "Earlier you spoke about the people being worried about preventive detentions here, but America is not at all worried that Gen. Zia is a military dictator. The political parties are not at all worried and he is very democratic and he can have all the help he wants."

Mrs. Gandhi said that the U.S. was trying to help Pakistan long before the Soviet troops went into Afghanistan.

The Prime Minister said that the U.S. supports Pakistanis against India. "And everywhere they usually support dictatorships rather than our type of open democracy."

Answering a question on Pakistani nuclear intentions, Mrs. Gandhi said that if and when Pakistan was ready, it would carry out a nuclear explosion regardless of the U.S."

CSO: 4220/7594

## GANDHI DOMESTIC, FOREIGN POLICIES ASSESSED

Madras THE HINDU in English 20 Dec 81 p 2

[Article by G. K. Reddy]

[Text]

**A**S an uneventful and listless session of Parliament draws to an end the weary members are getting ready to get back to their home towns. The seasonal spirit of the new year has started pervading the Delhi scene and for a refreshing change, even professional politicians who thrive on discord are shedding the coils of their political preoccupations in the politics-hidden capital where controversy is the very essence of life.

In another 10 days the new year will set in coinciding more or less with the completion of Mrs Indira Gandhi's second year of her present term. A few months later she will be nearly half way through her five-year tenure. Her ardent admirers feel it is a good time to start counting the blessings of her rule while her carping critics are looking back reprovingly at her faltering performance. The country itself stands at the cross-roads caught up in a moral vacuum not knowing what the future has in store for it.

The history of a nation, or the contributions of the leaders involved in the making of it, cannot be subdivided into tidy five-year periods co-terminus with electoral tenures for assessing the achievements of individuals or performances of successive governments. Still the elective terms of office serve as convenient yardsticks for judging to what extent the leaders have been able to live up to their own promises or the expectations

of those who voted for them. In the final analysis a leader's role is determined by what one has done of lasting value for the benefit of both the present and the future generations.

## Average standards

It is only in this limited semi-philosophical context that a mid-term appraisal of Mrs Gandhi's current performance is being attempted by some of her well-wishers, who are not unaware of her difficulties and yet are unhappy with her inability to make a brave new departure. Any political institution, whether it is a party or parliament, is designed for average standards of performance, not for achieving miracles by conjuring up solutions to difficult problems. The main failure of Indian democracy has been that in attempting to run the country with the minimum denominators of ability in the ruling party a leader like Mrs Gandhi has unwittingly institutionalised mediocrity to the grave detriment of national interests.

The Indian polity is thus faced with a painful contradiction. At the head of the Government is a leader of unquestioned supremacy backed by a solid two-thirds majority in Parliament with no pressure groups inside the party to cramp her style or a proper opposition outside to challenge her actions. Yet she has consciously saddled herself with perhaps the worst Cabinet since independence for no compelling reason other than rewarding her courtiers or keeping

the more experienced and abler persons at a distance. Apart from a few exceptions the Union Cabinet is so bereft of talent that she has been complaining privately about their poor performance. The position in the Congress (I)-ruled States is much worse with Chief Ministers and other Ministers playing havoc with the administration.

The secret of success in an elective democracy lies basically in candour and commitment combined with stamina and courage with the right blend of modesty and self-assurance unsullied by conceit and arrogance. A leader has to be endowed with a glimmering vision of success and an unfaltering intuition that solutions are possible even to the most intractable problems.

A sense of managerial competence must be combined with a feeling of moral direction based on a humane exercise of power in running the party or the government. Even if one has no personal attachment to office one cannot deviate from the prescribed path or perceived procedures in the uses of power after acquiring it.

A changing situation certainly calls for a change of ideas in preserving the more enduring aspects of political life. But in times of diminution of authority and growing disillusionment it is doubly necessary to avoid mistaking postures of greatness for greatness itself in the heady atmosphere of

orchestrated adulation. As Arnold Toynbee put it, an essential link between a leader and the followers is trust. A leader must have the capacity to make one's fellows into followers — not through enforced obedience but principled acceptance.

In the hurly-burly of mass politics there is little place for such finer thoughts. An effort nevertheless has to be made to preserve a proper distinction between the semblance and reality of power in governing a complex country like India. There are, no doubt, occasions when a leader has to adopt deliberately a calculated posture of indecisiveness to gain time to confound one's critics or divert attention to other issues.

But one cannot afford to let the impression prevail in the process of condoning impropriety even when one is in a position to act decisively and swiftly to preserve better standards of honesty in public life. The moral dilemmas that a leader faces in the pursuit and uses of power are essentially a reflection of the predicaments in responding to one's role and responsibilities in changing circumstances.

#### Welcome sign

It is a happy sign that Mrs Gandhi has lately begun to realize the limitations of power under present-day Indian conditions. There are people around her with a vested interest in preserving the prevailing distortions in the power structure, but she is no longer encouraging them to campaign for a basic change in the form of government to ensure greater concentration of power in her hands by switching over to a presidential system. She knows that the real challenge today is how to use the power that she already possesses for achieving the desired results with a qualitatively better government, not in eroding further the built-in checks and balances in the Constitution.

As an executive President or a Prime Minister answerable to Parliament, she can succeed only by bringing together men of talent and experience who have already made their mark in public life to provide an administration that is capable of implementing her policies without looking around for alibis to explain away its non-performance.

It is for this reason that Mrs. Gandhi has started throwing some odd hints that she intends to begin the third year of her present tenure with a better Cabinet. The exercise is on for a fairly extensive reshuffle which may not be very dramatic but quite far-reaching in its ramifications. She knows that she cannot afford to let the present drift continue any longer and that, if she did, the time will come sooner than later when the growing ferment in the country will start affecting her own position.

#### Third world spokesman

She has done remarkably well since her return to power in the conduct of the country's foreign relations, despite the controversial decision to recognise Kampuchea and adopt a somewhat equivocal attitude on Afghanistan. In coping with other developments beyond her control, she has succeeded in creating a better awareness of the dangers ahead and made the people more conscious of the perils of another Indo-Pak confrontation as a result of US actions.

She has retained a mutually beneficial relationship with Moscow and kept the door open for an understanding with Washington, while strengthening the country's links with Western Europe. She has for all practical purposes emerged as the main spokesman of the Third World in its quest for economic justice.

It is the absence of a matching performance in the domestic sphere that has exposed her to increasing criticism. The economic situation is bound to get from bad to worse if no corrective steps are taken before it becomes too late. She has been told by some of her closest advisers that the Central and State Cabinets as at present constituted are totally incapable of providing the kind of resolute leadership required for regaining the lost initiatives. The forthcoming budget presents a golden opportunity to display the necessary wisdom and imagination in restoring the missing confidence of the people in the ability of the Government to cope with the difficult economic situation.

#### Chain of command

The Government statisticians can produce reassuring figures of a fall, or at least a levelling off, of wholesale prices but the people know that the retail prices continue to rise in an economy of all-round shortages. No Government can afford to let such a state of affairs prevail in the third year of its office without running the risk of the situation getting out of control during the rest of the tenure. There is thus an element of urgency in Mrs. Gandhi's plan underground to put more life into her Government.

The art of leadership in running a representative government calls for a well-established chain of command where senior Ministers are not obliged to put up with the insubordination of their junior colleagues or the interferences of extra-constitutional influences asserting their authority in the Prime Minister's name. The position at the Centre is not as bad as in the States where the Chief Ministers who are a law unto themselves often are faced with open defiance by Ministers drawing their inspiration from parallel power centres in Delhi.

A political dispensation in such a run-down condition, with the total supremacy of a single leader at the top matched only by complete disarray down the line, cannot be set right overnight even with the best of intentions. It requires a painstaking effort to first restore the missing Congress ethos, recreate a sense of unity and a feeling of equality, and then rebuild a party structure with well defined internal traditions. The Congress (I) has to shed the habit of nominating everybody, shunning party elections and leaving everything to the leader which makes one answerable if not accountable for the actions of others for which one is not even remotely responsible.

If Mrs. Gandhi can draw the right lessons from the first half of her tenure, she will be in a better position to cope with the heavy backlog of problems during the second half of her five-year term. And the new year offers an opportunity to make a more promising start with the contemplated Cabinet changes at the Centre which could set the pattern for a similar shake-up in the States.

GANDHI SPEAKS AT OIL EXPLORATION INSTITUTE

Bombay THE TIMES OF INDIA in English 20 Dec 81 p 9

[Excerpt] Dehra Dun, December 19--The Prime Minister, Mrs. Indira Gandhi, today called for concerted efforts to produce more oil to make the country self-sufficient in that commodity.

She was speaking at a function to mark the renaming of the Institute of Petroleum Exploration (IPE) after the late Mr. K. D. Malaviya.

Mrs. Gandhi said: "Oil is to the modern industry what blood is to the body," adding that one had to keep in view the political implications connected with it.

She said oil exploration was vital for the country's survival as an economically viable nation. She commended Indian scientists' achievements in discovering oil which 25 years ago was thought by many as a gamble.

Paying tribute to Mr. K. D. Malaviya, she said that he played the most vital role in creating the base for oil exploration and its production to make the country self-reliant.

Established in 1963, primarily to meet the research and training needs of the Oil and Natural Gas Commission, the IPE's scope has now expanded to cover all aspects of exploration work and scientific and technical activities, hitherto conducted by other agencies in the field of oil and gas.

Recently, the institute bagged a contract from Abu Dhabi's National Oil Company to carry out "research on the jurassic prospects of Abu Dhabi." Oil India Ltd. has also requisitioned its services to carry out systematic analysis of its well samples.

The IPE has not only functioned as a "think tank" for relating geological processes to the origin and accumulation of oil and gas, but has also applied its conceptual models to the task of finding oil and gas in the offshore basins. This involved preparation of plans and exploration with geological and geophysical sensors, processing and interpretation of data, prospect evaluation, and, finally, the plan for exploratory drilling. At this stage also, the IPE helps in preparing detailed prognosis of each location.

CSO: 4220/7579

## CPI NATIONAL COUNCIL MEETS, COMMUNIQUE ISSUED

New Delhi PATRIOT in English 24 Dec 81 pp 1, 7

[Text]

**T**HE National Council of the CPI has stressed the 'urgent need to rouse and mobilise the masses on the widest possible scale to defend the Government's foreign policy against attacks from the BJP and other pro-imperialist elements.'

The Council has simultaneously called for combating 'weaknesses and vacillations' in the foreign policy positions and building the broadest unity of all anti-imperialist and patriotic forces in defence of the country's sovereignty and integrity.

This is brought out in a communique on the deliberations of the Council meeting which took place in the Capital from 16 to 19 December. CPI General Secretary C Rajeswara Rao, who released the communique, informed that this stand was projected in the draft political resolution for the Twelfth Congress of the CPI to be held in March 1982 which the Council adopted unanimously.

The communique, which gave the highlights of the draft political resolution (which is being published on Thursday in the central organ of the party), described the 'Indira Gandhi Government's foreign policy of peace, non-alignment and anti-colonialism' as 'on the whole, positive, which helps the forces of peace and national liberation in the struggle against imperialism.' However, it deprecated at the

same time a 'trend' of taking positions of equidistance from both the USSR and the US.

Regarding the domestic developments, the party felt that the fight against 'growing authoritarianism' of the Cong-I and defence of democracy as well as democratic and trade union rights was acquiring 'special importance' in this period with such events as imposition of the ESM and NSA, brutal repression on working class rights, mounting attacks on non-Cong-I Governments of West Bengal and Tripura, toppling of the Kerala Government and the 'obnoxious and anti-democratic methods' being used to install a Cong-I led Ministry there and incidents relating to the Garhwal by-election.

'Democracy inside the ruling party has been totally done away with and replaced by absolute, unquestioning loyalty and servility to the leader,' it noted. It also felt that all this and the attempt to do away with the system of parliamentary democracy and replace it by a presidential system had led to a certain erosion of Cong-I mass influence.

#### SECOND EXPERIMENT

Nevertheless, the CPI was totally opposed to the non-Communist Opposition's attempts to evolve a second Janata experiment and revive the 'old Janata spirit' making corruption as the

main plank. 'The projected Opposition front with the BJP as its main pivot will be forced to take reactionary positions in foreign policy,' the communique held.

'Our party is of the firm opinion that the replacement of the bourgeois Government of the Cong-I by another bourgeois Government will never be able to solve the acute problems facing our country. It will only intensify these problems. Only a Government based on the unity of the Left and democratic forces dedicated to an anti-monopoly, anti-feudal and anti-imperialist programme can take the country out of the present deep crisis on the path of national democracy leading to socialism,' it read.

#### PROGRAMME

The Council put forward a 22-point programmatic platform to serve as basis for discussion for a Left and democratic alternative and supported the 19 January all-India strike.

Mr Rajeswara Rao characterised the BJP as 'completely reactionary, aggressively communal and openly pro-imperialist and pro-monopoly' and ridiculed the BMS idea of 'workers' sector' and 'labourisation of industry' which had nothing in common with the concept of workers' participation in management.

He made it clear that both the Cong-I and BJP were defenders of the crisis-ridden bourgeois system which they wanted to maintain so the question as to which was more dangerous, did not arise. 'On question of political power we are not going to support the Cong-I but we will fight the BJP also,' he said, adding: 'Our objective is to project the Left and democratic alternative.' He said that the BMS had to be accommodated in the 19 January strike because other organisations wanted it, but made it clear that the CPI would never do anything that would give strength to the BJP.

He pointed out that even the CPI-M had admitted that the ruling party was pursuing a peace policy and said: 'The Left has some common ground with the Cong-I in maintenance of peace.'

He further highlighted the growing unity between the CPI and the CPI-M and though merger of the two parties was not immediately possible, that was the ultimate objective. The draft political resolution of the CPI would give a clearer measure of the closeness of the CPI with the CPI-M, he added.

CSO: 4220/7589

## CPI DRAFT POLITICAL RESOLUTION SUMMARIZED

New Delhi PATRIOT in English 26 Dec 81 p 7

[Text]

The Communist Party of India has underscored the urgency for the Left to isolate the BJP and defeat its designs even while organising struggles against the Congress-I's retrograde domestic policies.

In its draft Political Resolution it has prepared for the party's Twelfth Congress, the CPI says that the Opposition front which is sought to be formed, will in practice be led by the BJP and RSS and only further the latter's designs to become a 'reactionary bourgeois alternative'.

"It is, therefore, urgent that the Left should make all efforts to isolate it and fight its plans to extend its tentacles. In fact, such a fight is a *sine qua non* for the projecting and building up of a Left and democratic alternative to bourgeois rule", the draft opines.

The draft has been released in full in the latest issue of the CPI's central organ (which was available on Friday). It was adopted unanimously at the party's recent National Council meeting in New Delhi.

## SUSTAINED STRUGGLE

The document highlights the party's need to wage a 'sustained and intense struggle on all fronts against the forces of communalism, castelism and separatism as an integral part of the struggle for the defence of India's national sovereignty and integrity'. This struggle against

the BJP 'together with our fight against the anti-democratic and anti-people policies of the ruling party' is explained as a 'necessary part of the struggle for building a Left and democratic national alternative'.

Highlighting the leading of the working class for bringing about Left and democratic unity, it calls for intensifying party activities for furthering trade union unity and raising it to a higher level and also to elevate the political consciousness of the working class "where it comes forward as the champion of the interests and democratic rights of all other sections of the down-trodden and the oppressed".

In this context, it holds that "special efforts have to be made to draw the INTUC masses following the Cong-I into joint trade union actions".

## SIMILARITY WITH CPI-M

The draft lays special emphasis on unity in action with the CPI-M, and in many respects there is a striking similarity with CPI-M's draft Political Resolution for its Eleventh Congress. But the emphasis on this score is more than the stress given to it in the CPI-M's document. This is borne out by the fact that whereas the CPI-M draft welcomes the various stages of changes in the CPI's policies on the domestic front which facilitated Left unity and united actions with the CPI; the CPI draft not only calls for intensify-

ing efforts to strengthen Left unity and in particular unity in action between the two Communist Parties at all levels with the aim of raising it to a 'higher political and programmatic level', but it further maintains that 'such unity in action can pave the way for ultimate reunification of the Communist movement in our country on a principled basis' and adds: "The CPI stands for such reunification."

## KEY TASKS ...

The CPI draft concedes that in the present situation the task of building a Left and democratic national alternative was bound to be "protracted and complicated" and counsels "greatest vigilance and skill in combining and integrating national with class tasks". It lists the key national tasks as the central question of peace or war, defence of India's national sovereignty and integrity, questions of foreign policy, anti-imperialist tasks, national integration and firm opposition to divisive and communal forces, secularism and defence of minorities. On some of these questions, "cooperation between our party and other Left parties and some bourgeois parties including the Cong-I or some sections of these parties is both possible and necessary". It notes but makes it clear that contrary to Mrs Gandhi's charge that the Left parties were not cooperating with her, "it is the Cong-I leadership which rejects such cooperation".

The class tasks, it says, are the ones arising from the fast growing contradiction between

the bourgeois rule and the people "that bring us into sharp conflict with the Cong-I Government and its policies and give rise to mass and class struggles". At the same time, it advocates every effort to "draw into these

struggles the masses following the Cong-I also so as to make them more broadbased, increase their effective striking power and, finally, to win over these masses to Left-democratic positions".

It also points out that there is no contradiction between national and class tasks which are dialectically connected and form an integral whole.

The drafts of the Communist Parties are almost identical in their attack on the BJP for its pro-imperialist and anti-Soviet positions, scathing criticism of the domestic policies of the Cong-I Government, broad endorsement of the Government's foreign policy of peace and non-alignment, support to the international stand of the USSR and denunciation of US imperialism's war policy.

The distinctions between the two parties' positions appear in the CPI draft's rejection of all-in unity of Opposition parties including the BJP in contrast to the CPI-M draft's mention of broad resistance to authoritarianism on a five point platform which it feels "is growing and continuing to grow" despite the BJP and RSS' "treacherous role"

and standers on the CPI-M; as well as their attitudes towards China.

The CPI draft feels that "continued Opposition and exposure of the errors and crimes of the present Beijing leadership—and especially of its policy of full-scale collaboration with US imperialism and attempts to erode further the foundations of socialism inside the People's Republic of China—is the only way that the fraternal parties can help China masses to see the true position and assist those forces in the Communist Party of China and in Chinese society, who remain true to scientific socialism, to reassert themselves".

The CPI-M draft observes: "Those who simply denounce People's China alongwith US imperialism and forget it is a socialist country serve the cause of international disunity, and bring grist to the mill of imperialism. While China's stand must be sharply nailed down, criticism must be made with the expectation that Socialist China will overcome its present-day aberrations and take its legitimate place in the fight against imperialism."

Nevertheless, the fact is that the drafts of the two Communist Parties' Political Resolutions for their respective party Congresses have never been so similar since the Communist's first split in 1984.

CSO: 4220/7596

## DETAILS OF INDO-USSR TRADE PACT GIVEN

Calcutta THE STATESMAN in English 25 Dec 81 p 1

[Text]

NEW DELHI, Dec. 24.—India's two-day trade turnover with Russia in 1982 is expected to rise to a massive Rs 3,260 crores in terms of a protocol signed here today, making Russia the largest single trading partner of this country.

The protocol envisages a rise of 11% in trade with Russia from the projected Rs 2,940 crores this year, mainly through a substantial rise in Indian exports. These are expected to go up to Rs 1,769 crores, a 22% increase over the current year's Rs 1,440 crores.

The protocol does not take into account the long-term textile export arrangement now being discussed by the two countries. If this materializes in time for textile exports to be made next year itself, the trade turnover will be that much more.

The protocol was signed by Mr Abid Hussain, Commerce Secretary, and Mr I. T. Grishin, Russia's Deputy Minister for Foreign Trade.

Trade between India and Russia has been growing steadily. The actual performance over the years has been very close to the planned projections. It is expected that in 1981, the actual trade turnover between the two countries is likely to be worth Rs 2,600 crores, against the projection of Rs 2,940 crores—that is 90% of the projections.

## DIVERSE BASKET

Manufactured and non-traditional items account for more than 60% of the total exports from India to the USSR. The variety and volume of commodities in the basket of exports from India is diverse and large. The items selected for export by both the countries are complementary to the needs of their planned economies.

Demand and supply are, thus, well matched in Indo-USSR trade. Substantial increases have been re-

corded in Indian export items, like power cables, dry batteries, steam boilers, machine tools, freight containers, textile machinery, garage equipment, machinery and equipment from Soviet-assisted projects, ready-made garments, bed linen and towels, printed cotton cloth, woollen carpets, finished leather, shoe uppers, cosmetics, detergents, fresh and canned fruits, fruit juices, cigarettes, etc.

Several new items have been added for the first time, like water purifying plants, pumps and compressors, spectacle lenses, shoe polish, woollen fabrics and blankets, natural silk fabrics, cut flowers, etc.

Imports from the Soviet Union largely consist of crude oil and petroleum products, fertilizers, newsprint, DDT, non-ferrous metals and machinery and equipment, especially those required for Soviet-assisted projects.

CSO: 4220/7591

LOK SABHA PASSES AFRICAN DEVELOPMENT FUND BILL

Calcutta THE STATESMAN in English 25 Dec 81 p 7

[Text]

NEW DELHI Dec 24.—The Lok Sabha yesterday passed unanimously the African Development Fund Bill which seeks to implement certain provisions of the agreement establishing the fund and to empower the Government to make payments to it.

India acceded to that agreement, and became a member of the fund, in May this year.

By joining the fund, India furthered the process, begun long ago, of assisting the emerging nations of Africa in every possible way, the Finance Minister, Mr R. Venkaraman, told the House while replying to a nearly two-hour debate on the Bill. "We are only going another step forward in that direction."

The fund, he added, would enable Africa to march forward, utilizing the resources made available through it. He also noted that by enabling Africa to produce more goods, the fund would increase trade between African countries and the rest of the world.

India's initial subscription to the African Development Fund, according to the financial memoran-

dum attached to the Bill, will be six million Fund Unit of Account, one fund unit of account being equal to \$1.11141. India will also have to pay as its contribution towards the second replenishment about three million FU.

"Because of the variation of exchange rates, the actual amount to be paid may be somewhat more or less than \$10 million" the memorandum adds.

The Finance Minister also made the point, in his reply to the debate, that the participation of the erstwhile metropolitan countries in funds like the Asian Development Fund and the African Development Fund would be atonement for their earlier exploitation of Asia and Africa. "They will have to make good what they had taken then" he said.

Such participation would, however, not lead to further exploitation he assured the members who had expressed some concern on that score. For non-African countries would have no more than a third of the voting rights. As for India itself, it would be only subscribing to the fund's resources.

In the debate earlier the Bill received wholehearted support from all sections of the House.

CSO: 4220/7591

MINISTER ANNOUNCES RATIFICATION OF UNCTAD

Bombay THE TIMES OF INDIA in English 23 Dec 81 p 1

[Text] New Delhi, December 22--India's decision to become a party to the UNCTAD agreement establishing "the common fund for commodities" was announced in parliament today by the commerce minister, Mr. Pranab Mukherjee.

Mr. Mukherjee said the agreement broke new ground in international support for dealing with the problems faced by the developing countries.

Its main objective was to finance price stabilisation and other measures covering 18 commodities which include a number of commodities of significant interest to India such as coffee, cotton, hard fibre and products, iron ore, jute and products, sugar, tea and vegetable oils.

Mr. Mukherjee said commodities played a vital role in the economies of the developing countries and accounted for the bulk of their export earnings. However, internationally, the market structures were the weakest for commodities and the prices were not only unstable but also remained depressed.

The key element of the programme is the "common fund" to finance price stabilisation and other measures. An agreement establishing this common fund was finalised in June, 1980. It will come into force after ratification or acceptance by 90 states.

CSO: 4220/7586

## RAO MEETING WITH PARLIAMENTARY COMMITTEE REPORTED

New Delhi PATRIOT in English 20 Dec 81 p 5

[Text]

**EXTERNAL AFFAIRS** Minister P V Narasimha Rao informed members of the Parliamentary Consultative Committee attached to his Ministry that nothing substantial had been attained in the first round of Sino-Indian talks on the border question in Beijing as it was of a "very preliminary" nature with both sides trying to feel their way after a gap of 20 years.

Many members, including Mr Y B Chavan, wanted to know what concretely had been discussed on the border question. However, all of them emphasized that the border issue was not only important but central to normalization of relations with China.

The meeting, which went on for half a day, began with Secretary in the External Affairs Ministry Eric Gonsalves giving a general outline of the talks in Beijing. Mr Gonsalves had led the Indian delegation to the talks.

Both Mr Gonsalves and Mr Rao highlighted the fact that there was no need to be unduly optimistic or diffident about the trend of talks. As for the Beijing meeting it was just an 'opening dialogue' and both sides presented their respective positions on the border issue.

The talks also covered economic, cultural and trade relations, Mr Rao told the meeting. India, however, did not want to hasten the pace of progress as it was taking a cautious approach with

the clear view that unless an advance was made on the border question there could not be an imbalance development in other fields of bilateral relations.

But the talks were held in friendly and cordial atmosphere and the very fact that the two sides have decided to meet again sometime next year (the tentative time has not been fixed so far) was a positive matter, the Minister said.

Indo-Pak relations, especially Pakistan's no-war pact offer came in for close scrutiny at the meeting with many members expressing the view that Pakistan was trying to get propaganda advantage out of it. Some members, especially Prof. Rasheeduddin Khan, felt that the Indian offer being as old as 1949 a fresh updated proposal needed to be given to Pakistan from the Indian side.

Members felt there were two options for India: (a) ask Pakistan for a serious effort to conclude a no-war pact; or (b) expose the Pak attempt of mounting a propaganda offensive at a

time when it has been sucked into a 'strategic consensus' with the US on the one hand and is serving US interests in the region on the other.

Mr Rao clarified once again that India was not engaged in a propaganda exercise on the issue.

Pakistan, he said, had neither clarified its rejection of the original Indian proposal nor made any substantive offer itself. It was offering to talk about something without going into the specifics.

In this context, there was general consensus among members about the threat posed by Pakistan's acquisition of sophisticated weapon systems and the need to find out the real intentions of Pakistan behind the offer.

Mr Chandrajit Yadav pointed to the way in which Pakistan was trying to win a diplomatic victory over India by suggesting the no-war pact while arming itself to the teeth.

Prof Rasheeduddin Khan spoke of the need to study the shift in the US foreign policy in depth in terms of our national security requirements, developmental priorities and problems of national stability.

Mr Rao assured the members that all factors including foreign policy implications of the loan had been taken into consideration before applying for the IMF loan.

The members felt that India should encourage cooperation in South Asia and South-East Asia and expressed support to the Indian initiatives for enhancing South-South cooperation.

Those present at the meeting included Mr Y B Chavan, Mr Dinesh Singh, Mr Bali Ram Bhagat, Mr Shankar Ghosh, Mr N G Ranga, Mr P K Kodiyan, Mr Chandrajit Yadav, Prof Rasheed-uddin Khan, Prof Satyanadhan Chakraborty, Mr V N Gadgil, Dr (Mrs) Najma Heptullah, Mr Ladli Mohan Nigam, Syed Shahabuddin.

CSO: 4220/7581

## PRESS REPORTS RAO 17 DEC REMARKS IN LOK SABHA

## Text of Statement

Madras THE HINDU in English 18 Dec 81 p 7

[Text]

NEW DELHI, Dec. 17

The following is the text of the External Affairs Minister, Mr. P. V. Narasimha Rao's statement made in Parliament today on India-China talks.

During the visit of the Chinese Foreign Minister to India, we had agreed that official level talks would be held in Beijing regarding both bilateral problems and bilateral exchanges. Talks were accordingly held in Beijing for five days from December 10 to 14.

There were three sessions of plenary discussions, and several meetings of sub-groups on matters concerning the boundary, trade and economic cooperation, cultural exchanges, and science and technology.

Various members of the delegation also met senior officials of the concerned Ministries and visited a number of institutions. The delegation had a meeting with the Vice-Premier and Foreign Minister, Mr. Huang Hua. The atmosphere was friendly and cordial throughout all the meetings and discussions.

Regarding the border, it was not our anticipation that it would be possible to make substantive progress in the first round. The two sides have had a fairly detailed exchange of views, and although fairly wide differences persist, we hope that they could result in a better understanding of each other's position.

In the light of the report of our delegation, we are now considering how we should take this matter forward. We may however regard the fact of the meeting itself, the first on the subject in 20 years, as a positive step. This I understand is the Chinese view also.

The delegation reviewed the level of exchanges in various fields such as culture, trade, economic cooperation and science and technology, and tentative programmes for the future are now being considered by the various Ministries and agencies.

As I have repeatedly informed the House, it is the desire of the Government to normalise relations fully with China. This is only possible when we can bring about a complete resolution of our problems as well as a stable relationship in all fields.

#### Israel policy of expansionism

Sir, may I now refer to a development that has taken place in the Middle East. I refer to the Israeli Government's decision to annex the occupied Syrian territory of Golan Heights. The matter is already before the General Assembly of the United Nations and the Security Council has been specially convened to discuss this matter.

In the General Assembly, India has co-sponsored a draft resolution which, while expressing its grave alarm at the Israeli decision to apply Israeli law to the occupied Syrian Arab Golan Heights and reaffirming that acquisition of territory by force is inadmissible under the U.N. Charter, principles of international law and relevant U.N. resolutions, *sicis inter alia*, that the General Assembly

1. declares that the Israeli decision is null and void and has no legal validity whatsoever;

2. strongly deplores the persistence of the Israeli policy of annexation which escalates tension in the region;

3. demands that Israel rescind forthwith its decision;

4. calls upon all States, specialised agencies and other international institu-

tions not to recognise this decision and

5. request the Security Council, in the event of Israel's failure to implement this resolution, to invoke Chapter VII of the Charter of the United Nations.

While this matter is currently being debated and discussed in the U.N. in New York, it is clear that Israel continues to pursue a policy of expansionism by force. It is highly provocative and aggressive being a policy of conquest and confrontation which will further aggravate the already tense and, indeed, volatile situation in West Asia.

Sir, I finally turn to the developments which have recently taken place in Poland. Hon'ble members are aware that a state of emergency was declared in Poland from the midnight December

12/13 and an Army Council of National Salvation was constituted. This was announced in a radio broadcast by Prime Minister Jaruzelski who said that he was taking these measures "obeying the Polish Constitution."

We have been following these developments, under conditions of interrupted communications. The Polish Ambassador in New Delhi called on me yesterday, under instructions of his Government, and gave me an account of the recent developments. He also conveyed to me a message from our Ambassador in Warsaw that the Polish authorities are giving the Indian Embassy the necessary protection and that all the members of the Indian community in Poland are safe.

What is happening in Poland is primarily the concern of its Government and people. We earnestly hope the present crisis will be overcome by them in the shortest possible time. We view such developments from the stand-point of our commitment to the principle of non-interference.—UNI

Pakistan, Other Matters Discussed

New Delhi PATRIOT in English 18 Dec 81 pp 1, 9

[Text] External Affairs Minister P. V. Narasimha Rao declared in the Rajya Sabha on Thursday that India was taking a "cautious, positive stand" in relation to the no-war pact offer made by Pakistan and trying to understand if the offer was the same as the proposal India had made to its neighbour several times in the past.

He denied emphatically that the Indian response to the offer was "negative" and said he would have no hesitation in accepting it if its basis was the same as that of the Indian proposal on the subject.

Replying to a six-hour debate on the international situation, Mr Rao pointed out, however, that he was not sure if India and Pakistan were speaking in the same language on the question. He referred specifically to a statement contradictory to the offer which came from Pakistan soon after the offer had been made public, and said this justifiably gave rise to doubts on our part.

A motion approving the Government's foreign policy was adopted by voice vote after Mr Rao's speech.

If India was convinced that the Pak offer was the same as the Indian proposal, then India would definitely accept it without quibbling over whose proposal it originally was, he clarified.

He said many MPs had stated that since the Pak offer was made as a 'propaganda ploy' and a 'PR exercise' India should also indulge in such an exercise. But, Mr Rao underscored, this he could not do.

'I am not prepared to take it as a PR exercise or a propaganda ploy. I have to take it as a responsible offer. There is no reason why I should emulate Pakistan. I have to take it seriously.'

However, there were difficulties in understanding the Pak offer and hence it was quite natural for India to have it examined, he said.

He said India's defence expenditure was the lowest and it was by no means disproportionate to its 'legitimate defence needs.' India's defence expenditure should be seen in the context of the size and diversity of the country and its very long land and coastal borders.

Mr Rao clarified that India could neither afford large defence expenditure nor was it interested in stepping it up. While other countries in the neighbourhood spent almost 6 to 7 per cent of their Gross National Product on defence purchases, India spent a meagre 3 to 4 per cent, he added. Moreover, India spent its own money on its defence needs while others depended on outside grants or assistance for military purchase.

Mr Rao told Mr Yogendra Sharma (CPI), who had strongly pleaded against using the term 'super-power rivalry' to equate the USSR with the US, that the phrase was

coined in relation to the Indian Ocean in UN documents on the subject. "We have not been using it in other contexts," he maintained, adding, "we have not said both (US and USSR) are equal in all respects."

#### IMF Loan

Replying to the criticism against acceptance of the IMF loan, Mr Rao explained that India had always favoured approaching multilateral international financial institutions than individual countries which would pose a greater threat to our sovereignty. There was a tendency not to go to these institutions but to the open markets, which he considered as "dangerous." India was not against the institutions as such, it stood for reforming them and this was part of the New International Economic Order India and other developing countries had in view.

Strongly refuting an observation by Mr Jaswant Singh (BJP) regarding India's ties with the Arab world, Mr Rao said "our support to the Arab cause is based on certain principles so dear to us and we have been shaping our policies on the basis of out and out support to the Arab world."

Referring to the non-aligned movement, he highlighted its growth in size and achievements in terms of acceptance of non-aligned positions by others not part of the movement on such issues as Namibia, South Africa and North-South questions.

Mr Rao also mentioned the Nepalese proposal to make the kingdom a zone of peace. He said, we are trying to understand its implications and at an appropriate time our decision on this would be announced. He said this issue was being examined in consultation with the Nepalese leaders. The subject had been raised by the King and the Prime Minister of Nepal during his recent visit to Kathmandu.

CSD: 4220/7577

## WRITER DISCUSSES INDIA'S ROLE IN AFRICA

Bombay THE TIMES OF INDIA in English 22, 23 Dec 81

[Article by Maya Chadda]

[22 Dec 81 p 8]

[Text]

**DAR-ES-SALAAM:** With its colonial bungalows, winding roads along the sea front, waving palms, an occasional mango tree, Dar-Es-Salaam strongly reminds a traveller of Bombay in the early '50s, before high rise buildings crowded the skyline. The illusion becomes even stronger in the evenings when the beaches get crowded with hundreds of "Indians" who stroll around, Chowpatty fashion, watching the girls and enjoying the sea breeze. The language spoken is usually Gujarati, and frequently Kachchi. Chai, coconuts and bhel-puri are readily available.

But most of these "Indians" have never been to India. They are in fact Tanzanian citizens settled for generations in East Africa. Originally some came as plantation workers, others as traders in search of better opportunities in other British colonies. Over time their businesses prospered and they moved up to control most of the domestic economy under the protection of the British. They built houses and apartment buildings which were the exact replicas of the older buildings in Bombay. They also kept their life style intact, and their social contacts remained confined to the other "Indians" living in Tanzania.

### Subterranean Fear

The seeming normality of their life style is however misleading. Underneath there is tremendous anxiety, a feeling of growing iso-

lation, and fear. For deep down the members of this community know that they are on the road to nowhere.

The fate of the 'Asians' in Tanzania is inseparable from the trials and tribulations of the country itself. This is all the more so because after the British left, the Asians assumed complete control of commerce and a large part of the management of the economy. They were the visible, dominant force in the country and for that reason alone highly vulnerable in the rising tide of nationalism in Tanzania.

Until 1967, the government in Dar-Es-Salaam had only indirectly, and half-heartedly, pursued its goal of Africanisation. Commerce, trade and much of industry such as textiles, milling, confectionery and shoe-making continued to remain in the hands of Asian Tanzanians. The pressure for Africanisation of the economy was however building up, particularly from the African petty traders.

At the same time, Nyerere and his immediate circle of advisers were moving independently to the point of view that co-operative organisation and self-reliance through socialism were the only answers to Tanzania's poverty and under-development. The shift in ideology and the pressure from the aspiring African petty trading classes combined to spawn the particular brand of socialism adopted by Tanzania in 1967. Besides, the Asian community's reputation as a

"corruptor" was already well established in East Africa. It was therefore, easy to move against it.

For Nyerere, the penetration of the state into the economy and the nationalisation that followed the Arusha Declaration were essential if Tanzania was to establish control over its own destiny. For the Asians, however, it appeared as a move aimed specifically at the eventual destruction of their economic base. The two perceptions are tragically intertwined inasmuch as they reinforce each other. Inevitably, they have trapped the Asians and Africans in a mutually reinforcing circle of fear and resentment.

After the Arusha resolve of 1967, the government took over the export-import and wholesale trade, milling and other light industries. This struck at the roots of Asian economic power. As a result the community lost confidence in the country, restricted its business activities, and instead of saving and investing began searching frantically for ways to export its capital to safer havens. In 1971, the government passed the Buildings Acquisition Act and closed the last legal avenue for making quick money.

These events have scarred the consciousness of the Asians who continue to remain in Tanzania. They see every move by the government as a direct threat to them and react with often ill-thought criticism. For them Tanzania's socialist experiment is no more than

an excuse to expropriate the wealth. *Ujamaa* is only an exercise in futility. The dire economic crisis facing Tanzania today is only a logical consequence of thoughtless policies of a government that is hopelessly overextended and unable to manage what it took on."

There are none among them who will concede even the bare possibility that *Ujamaa* might have succeeded but for the combination of oil price hikes and successive droughts that the country experienced in the 'seventies. For the Asians, there is only a harking back to the past "when the times were good and Tanzania was so safe". Indeed they are preoccupied with personal safety, and discovering ways of obtaining items in short supply has become a favourite pastime. And tragically these pre-occupations serve only to widen the gulf between them and the Africans still more.

### Deceptive Calm

Thus the tranquillity of the evenings at the beaches is deceptive. It hides a growing despair as a minority watches its own slow death.

Africa is, however, beginning to recognise another face of India, the new India that is the tenth or eleventh largest industrial power in the world and possesses the largest pool of professional and technical manpower outside the USA and the USSR. This new India is eagerly welcomed in the capitals of east and west Africa.

The collaboration between India and the nations of Africa has ranged from private to public, from technical assistance to loans and from joint ventures to management contracts. In Tanzania, Indian technical experts have been advising the government in overall economic planning as well as setting up credit schemes for rural development. Some of these experts are a part of the United Nations Development Programme, but the Tanzanians see them quite simply as Indians helping to build their nation. This is indeed a new role for India that could be expanded to great mutual benefit.

The Tanzanian government has come to rely greatly on Indian support and assistance. At present the Indian government is involved in setting up several complete industrial estates with Indian designs, plans and equipment. Some idea of how colonialism had reduced the countries of Africa to neo-slavery may be had from the fact that although endowed with a vast ocean front, until recently Tanzania imported salt from Scandinavia. Indian experts have helped to

set up salt pans all along the ocean-front. Now Tanzania is more or less self-sufficient.

The cement plant on the outskirts of Dar-Es-Salaam is yet another example of timely assistance from India. The plant was originally being set up by a western concern. Apparently, midway through the project, some differences on the terms of collaboration developed. The Tanzanian government was given an ultimatum by its western collaborator. In desperation it turned to India, and within a few weeks the plant was operating at full capacity with Indian management and expertise.

### West Unhappy

Nyerere's socialism, and his government's zealous protection of its independence in domestic policies and decision-making, does not always sit well with the west. The availability of Indian technical and managerial knowhow and the feeling that it can turn to India when it is in a bind is a source of considerable strength to Tanzania.

Indian assistance in the petroleum industry provides an outstanding example of such politically inspired support. Tanzania had only a limited storage and refining capacity for oil. It thus imported both oil and oil products. What is more, it exported some of the petroleum distillates which were in excess supply. To begin with this created a situation in which scarcities and gluts alternated, in time with the arrival of imports and the departure of exports. What is worse, the oil company that originally moved the crude and the byproducts to and fro was in a position to manipulate the timing of its shipments to compel Tanzania to sell its surpluses back to them at below the market price for there was nowhere to store them. At the recommendation of the UNDP advisers to the petroleum industry, the government of Tanzania obtained a tanker from the Shipping Corporation of India to store its refinery surpluses. This enabled it to outmanoeuvre the oil company and receive a just price for its oil products.

Similarly, the Fertiliser Corporation of India has conducted a feasibility study that will enable Tanzania to set up the largest ammonia and urea plant south of Sahara, based on offshore gas. In fact, that Tanzania found this gas at all is largely due to the efforts of a UNIDO adviser who is also an Indian. A Dutch company that had been given the concession for exploration in the area had concluded that there were no economically viable oil and gas reser-

voirs. But its report was not accepted by the UNIDO adviser, who urged the government to resume the concession and call in another company. The new contract went to the Italian FNLI, which found the gas field, one of the largest on the east coast of Africa.

[23 Dec 81 p 8]

[Text]

IN West Africa too India's 'care package' image of a nation beset by hunger and famine is giving way to a new respect for her industrial prowess, her dogged persistence and her success in pulling herself up by the bootstraps.

Compared to other places, the Indian settler community in West Africa is small though doing exceptionally well. Their activities are largely confined to export-import, retail trade and in a small way to management. India-Nigerian relations are, therefore, at least for now, free of the kind of tensions and mutual resentment found in most of East Africa.

Besides, the Nigerian government is open to collaboration and even offers incentives as well as preferential treatment to foreign investors as long as it can retain discretionary control. Nigerians are in fact excellent at commerce and trade and after independence they have moved rapidly into these areas of the economy.

Although small in comparison with the west, Indian economic collaboration with Nigeria is steadily growing. In government-to-government collaboration, India has undertaken to provide Nigeria with technical assistance and training in telecommunications, transport and trade. Rail India Technical and Economic Service (RITES) have been able to put the Nigerian railways in shape and an agreement was signed recently to put them under RITES management for a longer period.

The Nigerian government is equally anxious to establish joint ventures for the manufacture of telecommunications equipment with Indian help. Hindustan Machine Tools is involved in the development of a machine tool complex at Osogbo under a joint venture agreement. MECON India is playing an important role in the realisation of this project.

Of late Indian private capital has also begun to venture into Nigeria. For instance, the Birlas are currently running two paper mills and a cement plant in the country. They have also been given the management of the Ajaokuta steel plant at Warri.

## Profitable Avenues

At the instance of the Nigerian government, the Indian commercial houses of Chellarams, Channais and Melwans, although long established in trade, have now gone into the textile industry. Asbestos, cement and pharmaceuticals are the other areas in which Indian capital has found profitable avenues of investment.

Recently, the Indian high commissioner, Mr. K. Srinivasan, has succeeded in interesting the Birlas in becoming a conduit for the transfer of agricultural knowhow and technology to Nigeria. The Birlas are planning to lease 25,000 hectares from the government for growing food crops on a commercial basis. Mr. Mohinder Singh, who manages Birla interests in the country, hopes to bring farmers from Punjab to demonstrate to the Nigerians the farm practices that have turned Punjab into the granary of India.

In Nigeria, the scope for joint ventures and capital investment is vast, the political climate favourable and the return on capital enormous. The U.S., Britain, France, Germany and Japan are vying with one another to capture an expanding share of the market. In comparison it is obvious that Indian capital has failed to obtain for itself a significant chunk of the market. For this, the Indian government's own rules and regulations may partly be responsible.

Businessmen based in India complain that they are hamstrung by government regulations that prevent cash remittances abroad. The export trade also remains relatively unexplored. There is great scope for the export of bicycles and auto parts if India can maintain quality and stick to promised delivery dates.

India is also notoriously lacking in the necessary public relations and promotion. To convince the Nigerians of its diverse industrial and technological capacity a great deal of spadework needs to be done. Nigerian officials must be taken to India actually to see the progress India has made. Although they are favourably disposed, they are being wooed by the advanced nations also. This is no doubt an expensive proposition in the short run, but in the long run it will create an informed and favourably disposed

body of civil servants who will often opt for Indian goods or knowhow in preference to those of the West.

## Trade Fairs

By contrast, although Indian businessmen are keen to invite their counterparts, they are required to secure the permission of the Reserve Bank of India to incur expenses in foreign exchange. This is often hard to get. The government, on the other hand, has been reluctant to incur such expenses.

The organisation of trade fairs abroad is yet another way to publicise India's achievements but this needs special expertise, contacts and detailed information about the host government and its economy. So far Indian officials from the ministry of commerce have been poorly equipped for this task. For instance, the opportunity provided by the last Industrial fair in Nigeria was bungled. The Indian team leader knew nothing about the tremendous congestion in Nigeria's ports and many of the goods did not arrive in time for the fair. Perhaps, after the success of the recent trade fair in New Delhi, the Trade Fair Authority can be entrusted with the task.

Nigeria's agro-industry is yet another promising area of collaboration that remains relatively unexplored. In the same way, there is scope for turnkey engineering exports. The tremendous strides the Indian engineering industry has taken in the past decade were noted by a counsellor at the U.S. embassy in New Delhi who published a study under the auspices of the business council in which he concluded that Indian firms could compete with those from the advanced countries over a wide range of products.

Advocating joint ventures with Indian firms in the Arab countries, the author concluded that any collaboration between India and the U.S. could offer formidable competition to the rest of the world. Assuming that a project draws bids at \$ 100 million and above, an entirely U.S. venture would have to bid at no less than \$ 120 million; Japan at \$ 106 million; Korea at \$ 102 million while a U.S. plus 30 per cent-Indian participation venture could bid as low as \$ 100 million or less. Nigeria is a promising market for such turnkey ventures.

CSO: 4220/7585

## ISLAMABAD EMBASSY PROTESTS ENVOY'S TREATMENT

New Delhi PATRIOT in English 22 Dec 81 pp 1, 7

[Text]

ISLAMABAD, Dec 21 (PTD)—The Indian embassy here today took objection to a report in the censored press insinuating that Ambassador Natwar Singh wanted to convey a message from Badshah Khan to his ailing son Khan Wali Khan.

Charge d'Affaires S K Lamba drew the attention of Pakistan Foreign Office to the report in the influential Urdu Daily "Nawa-i-Waqt" which also alleged that the Frontier Gandhi was getting vast sums of money from India.

An embassy spokesman described the report insinuating something "fishy" in the visit which the Ambassador was not allowed to undertake, as completely incorrect and baseless.

The embassy, he said had also written a letter to the editor of Nawa-i-Waqt conveying its objections on the publication of the report casting aspersions on what was to be a purely social visit.

The Indian Ambassador, it was pointed out, was to visit Charsadda, about 15 km from Peshawar, on 13 December to see the ailing Frontier leader Khan Wali Khan who had invited him for lunch.

Since no other report has appeared in the Pakistani press about Pakistan Government's refusal to the Ambassador to undertake the trip the distorted Nawa-i-Waqt report might give an erroneous impression to the people, the Foreign Office was told.

The Pakistan Foreign Office is reported to have taken the plea that censorship was limited to a few subjects like criticism of armed forces and internal politics and the press was otherwise free.

The Nawa-i-Waqt report alleged there was always a purpose behind Khan Ghaffar Khan's visits to India and he abused the Muslims of South Asia and even uttered unpleasant things against Islam in return for vast sums of money.

## PAK ASSURANCE

The Pakistan Government has however stated that any problems Indian Ambassador K Natwar Singh might have faced in that country would be 'settled out in a satisfactory manner,' adds UNL.

A Pakistan Embassy spokesman said in Delhi that the Indian Ambassador in Pakistan 'is

held in high esteem, reflecting the existing goodwill for normal, good neighbourly relations between the two countries.'

The Indian Ambassador enjoys easy access to the highest levels in the Government. President Zia-ul-Haq has received him often.

The spokesman said that in Pakistan, as in other countries, there are regulations governing travel by diplomats outside the capital. Permission for travel for legitimate purposes is usually granted on a non-discriminatory basis.

However, 'situations do sometimes require the Government to ask foreign diplomats to defer their travel plans,' the spokesman said.

CSO: 4220/7584

VISITING SOVIET DEPUTY MINISTER INTERVIEWED

New Delhi PATRIOT in English 20 Dec 81 p 5

[Text]

THE Soviet Union proposes to place large orders for the supply of equipment and forgings and castings with the public sector Heavy Electricals Limited at Haridwar and the Heavy Machinery Building Plant at Ranchi, reports PTI.

This was stated by Soviet Deputy Minister of Heavy Machine Building and Transport E Zvizhulev in an interview on Friday.

Mr Zvizhulev who attended the Indo-Soviet working group on Machine Building, said that he has had discussions with the authorities of the two plants on supply of equipment till 1990.

The Soviet Union was particularly interested in equipment for mining, steels and transport industry forgings and casting, crushing machine, coke oven batteries and other metallurgical equipment.

The Soviet Minister said his country had a large demand for a number of items and would like the India to take up production for supply to his country.

The USSR would be in a position to place orders for mass production of items with the Ranchi plant that would ensure higher capacity utilisation and profitability in the undertaking.

Some of these decisions would be finalised at the next meeting of the working group to be held in May-June next year.

The three Heavy Machine Building Plants at Ranchi, Haridwar and Durgapur according to him had reached a higher level of operational efficiency and it would be possible for the Soviet Union to place long term orders with them.

He admitted that these plants needed improvement in technology and modernisation and joint efforts would be made to achieve them.

The Soviet Union was assisting India in setting up a modern laboratory to test hydropower machines. It would also supply special forgings to produce components for hydropower equipment as also technical documentation for production of wheels for hydraulic turbines.

CSO: 4220/7581

## INDIA TO IGNORE CURBS ON AMBASSADOR IN PAKISTAN

Madras THE HINDU in English 19 Dec 81 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI Dec 18

After voicing its displeasure, the Government of India has decided to ignore the discountney shown by Pakistan to the Indian Ambassador in Islamabad, Mr K. Natwar Singh, and his Deputy, Mr S. K. Lamba, in denying them permission to go to Charsadda near Peshawar to visit the ailing Pathan leader, Khan Wali Khan, son of Khan Abdul Gheffar Khan, who is now in Delhi undergoing medical treatment.

It does not propose to impose any reciprocal restrictions on the movements of the Pakistani Ambassador and his staff, unless Islamabad indulges in further provocations.

The Indian Ambassador who has been called to Delhi for consultations met the Prime Minister, Mrs Indira Gandhi and the External Affairs Minister, Mr P. V. Narasimha Rao, to give them his assessment of the current thinking of Pakistan over various issues including the proposal for a no-war pact.

Wide publicity by Pak. media! Meanwhile the Pakistani media has been playing up the reported advice of the Government of India to a group of Indian MPs not to visit Pakistan now. The wide publicity given to this event preceded the refusal of permission to Mr Natwar Singh and Mr Lamba to go to Charsadda to meet Khan Wali Khan.

All that happened was that when a group of MPs who were planning to visit Pakistan sought Mr. Narasimha Rao's advice, he did not disapprove of the idea, although he felt that the present moment was not opportune for it.

He left it to the MPs to decide for themselves whether they should go now or later after taking an overall view of the present Indo-Pak situation.

**Bid to justify action:** When the External Affairs Ministry summoned the Pakistani Ambassador to convey its displeasure, he took the stand that he was not aware of the reasons for the refusal of permission to Mr. Natwar Singh and his Deputy to visit Charsadda to see Khan Wali Khan.

He tended to justify the action with the plea that the two countries had different procedures. He said the Indian Ambassador in Islamabad can call on President Zia-Ul-Haq at short notice any time, while no such courtesy was extended to him in Delhi.

But on the more important issue of the Pakistani proposal for a no-war pact, the Government of India has been finding that public opinion in India is by and large in favour of negotiations on the offer for what it was worth, even if it was only a gimmick to divert attention from the large-scale arms acquisition by Pakistan.

**Talks on no-war pact likely:** During the foreign affairs debate yesterday in the Rajya Sabha, a number of ruling party members also welcomed the idea in principle, when Opposition parties were pleading for a positive Indian response without undue reservations.

In the diplomatic game of one-upmanship, Pakistan is bound to press forward with its offer to gain some tactical advantage. It is now quite clear that there are bound to be some talks on the subject sooner than later, if only to focus attention on the more fundamental issue of averting the dangers of a renewed arms race in the sub-continent.

The Pakistani strategy is to draw India into a dialogue that would enable it to wriggle out of the Simla commitment, abjuring the use of force for altering the status quo in Jammu and Kashmir under cover of discussing an over-all non-aggression pact covering the entire length of the Indo-Pak borders including the bid ceasefire line.

Whatever its motivations, there can be no meaningful discussions until Pakistan is able to convince India that the no-war offer is not a tactical move but a substantive offer to end the current drift in Indo-Pak relations.

CSO: 4220/7578

U.S. AID CUT REFLECTS REAGAN PRIORITIES

Madras THE HINDU in English 18 Dec 81 p 9

[Article by N. Ram]

[Text] Washington, Dec. 17--U.S. development assistance to India for fiscal 1982 is expected to be in the region of \$95 millions (about Rs. 86 crores) compared with \$104 millions (about Rs. 94 crores) in 1981, Reagan Administration officials informed THE HINDU in response to enquiries.

This excludes aid under P.L. 480, which is also going through a reduction for India.

The slippage in bilateral aid even in nominal terms comes on top of a U.S.-enforced reduced level of commitment from the International Development Association.

The numbers relating to U.S. development assistance for various countries are being finalised following the adoption of the \$7,495 billions (about Rs. 6725 crores) Foreign Aid Appropriations Bill by Congress.

The level of bilateral development assistance to India has been scaled down by the Reagan Administration as part of its attempt to "cut" the budget. But it also reflects the priorities at work, which contrapose economic assistance to military aid, and India to countries deemed to have a greater "strategic" importance.

The original Reagan Administration request for development assistance to India for fiscal 1982 was \$110 millions (Rs. 99 crores).

An artificially inflated Carter Administration figure--part of a much larger foreign aid cake that did not stand a chance of passing Congress--was \$195 millions (Rs. 175 crores) for India for the same year.

For fiscal 1982, the Pakistani military dictatorship (which got no comparable aid in fiscal 1981) gets \$100 millions (Rs. 90 crores) in economic support funds. A provision of \$200 millions (Rs. 180 crores) in economic assistance (also excluding PL-480 and refugee aid) has been made for Pakistan for fiscal 1983, in the Foreign Aid Authorisation Bill just passed by Congress.

CSO: 4220/7577

## WEST GERMAN VISITOR ADDRESSES DELHI BUSINESSMEN

Bombay THE TIMES OF INDIA in English 15 Dec 81 p 9

[Text] New Delhi, December 14--Dr. Otto Graf Lambdorff, West German minister for economic affairs, today commended India's tremendous efforts to improve the investment climate. He said he saw "enough leeway" to step up German investment which now amounted to 203 million marks (Rs. 82 crores).

Addressing the Indo-German chamber of commerce here on "chances and risks presented by the global economy", he however, warned of a lower growth in development assistance. India would, however, not lose its place at the top of the list of countries for such assistance, he assured.

On Indo-German economic relations, Dr. Lambdorff said trade was brisk and India was West Germany's third most important market and its eighth largest supplier. Both sides, he said, should make an effort towards constant development of German private investment. India's significant success in the climate for investment was not recognised. The IMF loan could be regarded as "international recognition" of India's efforts in the economic sector.

Dr. Lambdorff, however, presented a grim picture of the flagging economic activity in the world's national economies and the challenges posed by structural changes.

The two oil crises, the shift in the international division of labour from the traditional industrial countries to the developing countries and particularly the threshold nations, and the turbulence in the international monetary system had an impact on the world economy. The result was that global economy in the eighties was less stable, more vulnerable and less manageable.

Dr. Lambdorff said in the Western countries there was sparse economic growth, high unemployment, a broad base of inflation, large budget deficits. Even the Federal Republic of Germany had been affected by this malaise. But he was confident that West Germany, which had a current account deficit of nearly 30 billion marks in 1980, would get over its economic difficulties.

But other industrialised nations could not afford to be so optimistic. The situation in the third world countries was dismal. Dr. Lambdorff quoted from Mrs. Gandhi's speech at the Cancun summit that "stagnation in the industrialised

economies lowered the export earnings of developing countries. If the industrial states cut back on imports, the developing countries would not attain their targets of growth."

The OPEC members, also of the third world order, however, had a different problem. Faced with stagnating global activities, these countries were unable to recycle their accumulation of petro-dollars. If, on the other hand, these huge amounts were released too fast, there was a danger of the international currency system being destabilised.

Even the group of threshold countries like India (the tenth largest industrialised nation) were hindered in their development programmes by the sharp rise in oil prices. The situation was particularly bleak for the least developed countries whose economic survival depended on imports of every sort.

Pleading for immediate need-based solutions, Dr. Lambdorff stressed the need for self-reliance in the third world. Quoting Mrs. Gandhi again, he said, "Development cannot be imported."

While major efforts were made to resolve the stalemate, there were several other trends in world trade policy that were a cause for concern. He spoke of the growing 'protectionist trends' which achieved their ends by export promotion and import obstruction. Making a plea for structural adjustment in industrial countries, he said, "artificial maintenance of outmoded production patterns did not represent a response to the global economic challenge."

On the multi-fibre agreement renewal negotiations at Geneva, Dr. Lambdorff said, "We will take care that the interests are balanced fairly between the industrial and developing countries." An alternative to the present arrangement, he warned, would be the escalation of new protectionist measures through individual agreements.

Mr. H. P. Nanda, chairman of the Indo-German chamber of commerce, said in the first six months of this year that there had been a 15.3 per cent increase in exports to Germany and a 46.2 per cent increase in imports from Germany. With the present rate of growth, Indo-German trade was expected to surpass the three-billion mark in 1981.

CSO: 4220/7564

INDIA CONDEMNS GOLAN ANNEXATION IN UN

Madras THE HINDU in English 18 Dec 81 p 5

[Text] United Nations, Dec. 17--Speaker after speaker in the Security Council yesterday assailed the Israeli Government's decision to impose its laws in the Syrian Golan Heights it occupied in 1967.

But the Israeli ambassador, Mr Yehuda Blum, defending his Government's action, claimed it had been guided by concern for its citizens' safety and the opinion, among others, of some former American Presidents.

Syria, at whose request the Council was meeting, charged that the Israeli move really amounted to annexation of the occupied territory and a violation of international law and the U.N. Charter.

Syria urged the Council to declare Israel's "annexation" of the Golan Heights as "null and void" as it did in the case of Jerusalem.

It has also demanded that Israel should rescind forthwith its decision to extend the laws of Israel to Syrian territory and abide by the principles and norms of international law as well as the purpose and principles of the U.N. Charter.

The Syrian Ambassador, Mr Dia-Allah El-Fattal, who was complaining against Israel's decision of December 14 extending Israeli laws to occupied Golan Heights said we are confident that in case of Israeli failure to heed the Council's decisions, the Council will resort to the application of the relevant measures under Chapter VII of our Charter, particularly in the imposition of mandatory sanctions."

India was among the 15 countries which supported the demands of Syria and called upon Israel to revoke immediately its decision to apply Israeli enactments to the Golan Heights.

The permanent representative, Mr N. Krishnan, endorsing Syria's demands, extended "full support and solidarity" of the Government and people of India to Syria.

Threat to peace: Mr Krishnan said the deteriorating situation in West Asia had been compounded by the latest Israeli decision to consolidate its occupation of Syrian territory by applying Israeli laws to them. "The annexation of Golan

Heights would inevitably lead to further sharp deterioration of the situation in West Asia posing a new and imminent threat to international peace and security," he said.

He said that, in pursuit of its own vision of security and secure boundaries, Israel had launched wars against its neighbours, caused untold suffering to the Arab population and had resorted to outright annexation of Arab lands.

'Launching pad': Mr Blum said that in 1967, Syria had turned the Golan Heights into a vast launching pad containing huge reserves of artillery and armour poised for an eventual descent on Israel.

Countless visitors to the Golan Heights "including former Presidents of the United States had been impressed by the strategic importance of the area and had urged Israel never to give it up," Mr Blum said.

The Egyptian representative, Mr Ahmed Esmat Abdel Meguid, said the Israeli move was in direct contradiction with the Camp David peace accords their two countries had signed in September 1978. The British delegate, Mr Anthony Parsons, stressed that the Israeli initiative was contrary to international law and any legislative or administrative measures to implement it had no legal validity.

The Soviet representative, Mr Troyanovsky, held that Israel received support from "imperialist circles in the United States which had to bear full responsibility for the Israeli annexation."

The Chinese Ambassador, Mr Ling Qing, condemning the Israeli move, asked the Council to affirm that it was completely illegal and null and void. He demanded that all occupied Arab territories be vacated.

Saudi Arabia's Gaffar Allagany questioned the 'wisdom' of the Council's present approach and asked whether it could go beyond "a veto or unvetoed condemnation."

14 members back draft resolution: A draft resolution in private circulation would have the Council decide that Israel should rescind forthwith its decision of December 14 as regards Golan Heights. It would deem the Israeli decision to extend its laws to the Golan Heights as 'null and void.' The Secretary-General would be required to report to the Council on the implementation of the resolution by Israel within a week.

According to reports, the resolution has the full backing of at least 14 of the 15 members of the Council.

The U.S., it is stated, will also be prepared to go along with it provided certain modifications are made by the sponsors. Informal consultations are under way to produce a resolution that was likely to win unanimous support of the Council.

Assembly's condemnation: The U.N. General Assembly, meanwhile, adopted by a 141-1 vote a resolution declaring 'null and void' all Israeli legislative actions that "purport to alter the character and legal status of the Syrian Golan Heights."

The resolution, adopted over Israeli objections, also condemned the Jewish State for "its attempts and measures to impose forcibly Israeli citizenship and Israeli identity cards on Syrian citizens" on the Golan Heights.

The United States, the Dominican Republic and Guatemala abstained.

Italy has condemned Israeli's action and said its action was not likely to help in finding a West Asia solution.

The Foreign Minister, Mr Emilio Colombo, told a Cabinet meeting yesterday "In Italy's opinion the Israeli Government's policy of faits accomplis is not one which will assure peace and security.--UNI, PTI & Reuter.

CSO: 4220/7577

## PROGRESS IN BANGLADESH BORDER DEMARCATON TOLD

Calcutta THE STATESMAN in English 15 Dec 81 p 7

[Text]

THE next round of India-Bangladesh talks on bilateral issues will be held early in January according to informed sources in Calcutta. The sources said on Monday that Tin Bigha in Cooch Behar might figure in the official-level talks.

They pointed out that in the Dacca talks held in November, Bangladesh had reiterated its stand that since it had already been agreed that Tin Bigha would be leased out to Bangladesh in exchange for Berubari under the Indira-Mulib Pact of 1974, the earlier this was done the better.

At the same time the sources made it clear that India would retain her sovereignty over Tin Bigha and the fears expressed in some quarters that India would lose its ownership were unfounded.

Bangladesh wants Tin Bigha to have access to its two enclaves in the Indian territory-Dahagram and Angarpota. How best Dacca's request can be met keeping in view the fears and misgivings of the local people is now engaging the attention of the Union Government. The terms and conditions of the lease, now being worked out, would not be such as would militate against the country's interests, the sources said.

Meanwhile the demarcation of boundaries between India and Bangladesh in West Bengal, Assam, Tripura and Mizoram has been going on though at a "slower pace". In West Bengal out of a total length of 2,335 km boundary 1,900 km have already been demarcated. No demarcation is necessary for another 185 km, the border being "fluid" falling on river waters.

The sources said that demarcation work along 143 km was yet to be done. In Mizoram out of 302 km of border, 26 km had already been demarcated. In Tripura, which had a border extending up to 785 km, only 66 km remained to be demarcated. In Assam the border left undemarcated was only six km. The process of demarcation had already been completed in Meghalaya.

The sources said that joint surveys by both countries would be taken up during the January-June period in these areas. For this work, the sources said, about Rs 30 lakhs had been sought from the Centre.

CSO: 4220/7565

REAGAN LETTER TO GANDHI 'NOT ENCOURAGING'

Calcutta THE STATESMAN in English 16 Dec 81 p 1

[Text] New Delhi, Dec. 15--The expressions of goodwill conveyed by Mr Harry Barnes, the American Ambassador here, and the undisclosed contents of the letter from President Reagan, delivered by Mr Barnes to Mrs Gandhi today, notwithstanding, Indo-U.S. relations do not appear very encouraging.

Close on the heels of the U.S. Administration's refusal to honour its commitment to supply enriched uranium for the Tarapur plant and the U.S. attitude on the question of the IMF loan to this country, come reports that the American Commerce Department has refused export licences for non-lethal equipment needed by this country's space programme, the aviation industry, some thermal plants and certain items needed for the Tarapur and Narora plants.

Repeated efforts by India Supply Mission in Washington to persuade the Commerce Department to issue licences for these non-controversial and non-nuclear items have been spurned obviously under instructions of the State or Defence Departments. The U.S. contention is that these items have possible application in the defence industry. This, according to the Indian view, is not true and the USA, it is argued, knows this to be so.

Again, every effort, according to reliable reports received here, is being made by the USA to expedite the delivery of American weapons, including the F-16s, to Pakistan. All of this, according to Indian sources, is not in accord with the profession of friendship made on behalf of the USA.

The cancellation of Mr Alexander Haig's visit is viewed here against the backdrop of the concern over European developments. What baffles observers here is that in terms of operational objectives of U.S. foreign policy, India should be accorded a low priority. For the record, the Americans at the time of the announcements of Mr Haig's visit had indicated the objectives of the visit, namely, to build a constructive framework of relations based on long-term interests to make India understand the USA's desire to create an atmosphere of stability in the sub-continent, exchange of views on global and regional matters, and establishing permanent contacts with the Indian leadership.

In effect, what the USA has, according to the sources, done is to subvert the first two objectives by ignoring Indian sensitivity on issues like arming of

Pakistan and militarization of the Indian Ocean. The third objective--exchange of views--is enmeshed in the first two and according to foreign office sources, the USA has already started pulling back from the commitment made at Cancun.

After the meeting between Mrs Gandhi and President Reagan in Cancun, the expectation was that the face-to-face contact between the two may have helped them understand each other better. But what has happened since--including the infructuous visit of Mr Eric Gonsalves, Secretary in the Foreign Office, and Dr Homi Sethna and the aborted Haig visit--has belied these hopes. The "deliberate leaks, in U.S. newspapers about the USA planning to ask questions when India comes around the next time to draw from the IMF, is seen as one more link in the chain.

CSO: 4220/7369

OUTCOME OF SINO-INDIAN TALKS ANALYZED

Madras THE HINDU in English 16 Dec 81 p 9

[Article by G. K. Reddy]

[Excerpts] New Delhi, Dec. 15--The Indian delegation returned to Delhi today after the first round of official level talks in Beijing reasonably satisfied that China was keen on early normalisation of relations.

But on the border question the two sides made no headway at all in evolving even a mutually acceptable starting point for further negotiations on the subject, other than restating their known positions.

The Chinese side continued to harp on a political settlement based on the existing realities, which meant accepting the Deng Xiaoping package proposal for seceding Aksai Chin in return for recognition of the McMahon line.

The Indian delegation, which felt that the border talks should restart from the point the parleys were broken off in 1962, hinted at various alternatives, including a return to the Colombo proposals, that were more in the nature of approaches than suggestions for a solution.

Issue wide open: It was quite evident from the carefully-worded and qualified observations of the Indian delegation that the two sides had concentrated at this meeting on first determining the modalities for further discussions, without attempting to come to grips straightway with the crux of the border problem. In other words, the whole issue had been left wide open until the ground had been carefully prepared for a negotiated settlement.

The atmosphere was cordial, the exchanges were polite and the whole emphasis was on letting bygones be bygones to the extent possible in the present circumstances. Otherwise, there was no indication from the Chinese side of how far Beijing would be prepared to go in settling the border problem.

Progress in other fields: The Chinese were, however, very enthusiastic about sustaining, and even stepping up, the present tempo of cultural exchanges and economic relations to set the right tone for a political understanding on both bilateral and regional aspects of Sino-Indian relations. It was in this context

that a number of specific suggestions were made for carrying forward the process of normalisation in other spheres, while the two countries keep exploring the possibilities of a lasting border settlement.

The Indian delegation has returned from these preliminary exchanges in Beijing with the feeling that the dialogue on the border issue is going to be a long drawn-out process, calling for considerable patience on either side.

As skilful negotiators, the Chinese are not going to yield over any point of substance unless they are assured of countervailing gain in the context of their overall interests in the region.

Higher-level talks: After going through the motions of these official level exchanges, the Chinese would like to elevate the dialogue to a political level to discuss specific proposals for a border settlement in the totality of normalisation of relations.

Though not averse to this idea of higher level discussions, India continues to maintain that the ground has to be carefully prepared through painstaking efforts at the lower levels, before the Foreign Ministers could meet to carry forward the dialogue and finally the Prime Ministers themselves could get together to clinch the remaining aspects.

In going along with China in exuding a certain degree of optimism, India is neither allowing itself to be taken for a ride for minimising the complexities of the border negotiations. It is only trying to adopt a more flexible and positive attitude free from the over-cautious postures of the past, without blurring the fact that India still remains the aggrieved party entitled to some degree of recompense, if not atonement, from the Chinese side.

CSO: 4220/7570

## DELHI CONCERNED OVER HAIG VISIT POSTPONEMENT

Madras THE HINDU in English 15 Dec 81 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI Dec 14

The US Embassy in Delhi informed the Government of India officially this morning that the Secretary of State Mr Alexander Haig was postponing his visit to India since he had to get back to Washington in view of the Polish developments.

The alternative dates for the visit, the Embassy communication said, would be worked out through diplomatic channels in due course.

An official spokesman today declined to comment on the Polish situation despite repeated queries to ascertain India's reaction.

Meanwhile, the leaders of several opposition parties issued a joint statement condemning the military coup in Poland and urging the Government not to "acquiesce" in the blatant suppression of human rights through inexplicable silence.

But the government was more immediately concerned with the consequences of the sudden postponement of the Haig visit whatever the reasons for it. For example the Indian decision on the proposed termination of the Tarapur agreement had been held in abeyance pending some final talks with

the visiting US Secretary on the subject.

As Mr Haig was not likely to visit India for some time because of his other preoccupations, India would have to make up its mind on how to proceed with this nuclear question in the new situation. Since no useful purpose would be served by asking for another round of official level talks which had so far held out no hope of a mutually acceptable compromise, the Government would have to take a political decision at an appropriate time of its choice after carefully weighing the pros and cons of it.

## Unfortunate feature

An unfortunate feature of the postponement of the Haig visit was that once again Indo-American relations had been jinxed by unforeseen developments. It was not only Mr Haig who was obliged to put off his Delhi visit because of the Polish crisis. The two high-ranking State Department functionaries, Mr Myer Rashish, Under Secretary of State for Economic Affairs, and Mr John Malone, Assistant Secretary of State for Nuclear Affairs, who were to arrive earlier to attend the meetings of the economic and scientific sub-commissions, had to cancel their trips at the last minute, one because of a bad

cold and the other due to a family bereavement.

What had been disturbing governmental circles even more was the strange coincidence of the current anti-Indian propaganda offensive emanating from Washington with the postponed Haig visit.

It was being insinuated on the eve of his projected arrival that India was embarking on massive arms purchases from the Soviet Union and, in the process, moving much closer to it.

An impression was being created even before he had arrived that those who mattered in Washington had written off this visit as a failure for all practical purposes.

The Indian Ambassador to the U.S., Mr K. R. Narayanan, who had arrived in Delhi to participate in the preparatory work for the Haig visit, met the Prime Minister, Mrs Indira Gandhi, and the External Affairs Minister, Mr P. V. Narasimha Rao, to give his assessment of the latest Indo-American situation. The officials concerned in the External Affairs Ministry were trying to figure out the consequences of the postponement in terms of the Indo-U.S. moves under way for narrowing down the differences.

CSO: 4220/7567

BULGARIAN LEADER SPEAKS AT DELHI MEETING

New Delhi PATRIOT in English 16 Dec 81 p 10

[Text] Cooperation for strengthening of detente, for peace, security and development in the name of social progress are the noble objectives shared by India and Bulgaria.

These were the views expressed by Bulgarian Deputy Prime Minister Georgi Yordanov, Lok Sabha Speaker Balram Jakhar and Union Minister Sheila Kaul at a public meeting held in the Capital to mark 1300 years of Bulgaria on Tuesday.

Mr Yordanov said: 'Our thirteenth century jubilee develops and enriches the peace-loving traditions of the Bulgarian people and gives its deep imprint over the international policy of the People's Republic of Bulgaria.'

Mr Yordanov pointed out with great satisfaction that the friendly relations between the two countries have strong roots and that they are constantly being enriched and deepened.

Mr Balram Jakhar stressing upon the importance to maintain peace said the seeds of Third World War were being sown by certain big powers for their own selfish interests. These powers, he added, also believe in economic colonialism.

Mrs Sheila Kaul said that the 13th century jubilee celebrations of Bulgaria had a great significance in the life of a nation. Such opportunities reminded people of sacrifices made by generations before and also helped in remoulding policies for the better.

CPI leader N. K. Krishnan cautioned against attempts being made by US imperialists to use force against the liberation movements going on in Asia, Africa, and Latin America. They, he said, were bent upon taking the world to the brink of war and had even armed India's neighbour Pakistan with sophisticated arms.

Others to speak at the function included Union Deputy Minister Kumud Joshi, Mr R. L. Bhatia, MP and Mr Satyanarayan Rao, MP.

CSO: 4220/7571

## DELHI ATTEMPTS TO BRING HOME INDIAN SCIENTISTS

Madras THE HINDU in English 16 Dec 81 p 10

[Text]

MADRAS Dec 15

The Government of India is making special efforts to bring home eminent Indian medical scientists currently working abroad.

According to Dr V Ramalingaswami, Director General, Indian Council of Medical Research, at least 25 Indian scientists settled abroad have so far been contacted on a "person-to-person" basis.

Fantastic developments in the field of molecular biology now taking place world over, are bound to lead to tremendous advances in tackling communicable diseases. This is an exciting area in which India is also participating. It is to benefit from these developments that the country has now established a bio-technology board under the scientific advisory committee of the Cabinet.

The ICMR Chief told newsmen that the new revolution would help the country to leapfrog the technological hurdles faced by developing nations. Many Indian scientists abroad were in the forefront of this movement. Efforts were being made to attract them and bring them to Ind to interact with local scientists.

"We have now got need them that they need not cut their connections with the organisations with which they are working.

They could stay here for short periods and take up research projects.

Most of the persons contacted so far had expressed their willingness to come to India. These scientists, he said, were not anxious about high salaries. What they wanted were a status, a house to live in and transport

facilities. "We hope to bring them to our country soon" he said.

## Small allocation

When the attention was drawn to a general feeling among scientists that while the CSIR received a lot of money for research, the ICMR's allocation was quite poor, Dr Ramalingaswami said this might be true in some cases. But the resources of the CSIR were close to Rs 100 crores. Even after the major step up, ICMR's budget might not go up beyond Rs 12 crores.

"But today in the ICMR, the average grant size is much higher than in the past."

To a specific question as to how ICMR was justified in withdrawing its grants to a major research project in Madras on leprosy vaccine, he said the intention was not to leave the work "unsupported". The work, carried on at the Voluntary Health Services, was considered significant and ICMR itself gave a lot of publicity to the successful test-tube cultivation of leprosy bacilli. This was something that had never before been accomplished.

Once the efforts to multiply the bacilli succeeded, it meant that the scientists would be very close to finding a vaccine against leprosy. Even as the study was being intensified without weighing any reason ICMR withdrew its financial support.

Pointing out that he was not the ICMR chief when the grants were withdrawn, Dr Ramalingaswami said "I will not evade any responsibility for this."

However, he pointed out, in the past there had been several claims that

leprosy research had succeeded in culturing the bacilli. Unfortunately, none of them had stood the test of time. So, ICMR wanted to be absolutely certain that "what had been cultured was actually the human leprosy bacilli. We have referred this to other countries."

If this was accepted by international experts, then it would be a very important discovery. "This should not be taken as a reflection on the quality of work. The results of the study are still being examined", he said.

## PUBLIC SECTOR FIRMS SEEK CONTRACTS IN IRAN, IRAQ

Calcutta THE STATESMAN in English 17 Dec 81 p 9

[Text] New Delhi, Dec. 16--Indian public-sector firms are to make a bid for contracts to repair the war-damaged oil wells, refineries and other installations in Iraq and Iran and are being encouraged by the Government to seek foreign collaborations for the purpose.

At present, indications have been given to the Italian public sector oil company, ENI, that India would welcome joint bids with it for contracts that emerge from Iraq and Iran, since a number of successful ventures have already been carried out with it. The contracts will be worth several hundred crores of rupees.

The assessment is that both Iraq and Iran would prefer countries like India to help them make the necessary repairs in preference to private Western firms. ENI, being State-owned and having worldwide recognition for its skills in the oil industry, is thought to be eminently suited for collaboration.

Many Indian public sector companies have developed expertise in building refineries and related operations in the oil industry, notably Engineers India and Engineering Projects India, but they still need some foreign technology.

They have already successfully collaborated with ENI in engineering works in Iraq and Iran, particularly in such projects as setting up refineries at Tabriz and Abu Dhabi. Further cooperation is now likely since there has been considerable damage to oil installations in the two West Asian countries.

India has recently secured a number of contracts in West Asia in engineering and civil construction areas. The total this year itself is estimated at more than Rs 1,000 crores, bringing the value of contracts won in the region to more than three times this figure.

With the Iraq-Iran war, the potential for such contracts has increased substantially since neither of the two countries has as yet developed sufficient expertise to do the engineering work required in the oil industry and other areas.

When the war began, a number of Indian firms operating in the two countries were reluctant to continue work and some projects were delayed because workers returned to India. This is being frowned upon by the two countries as well as India and work on all the projects--including new ones--has now been resumed.

While seeking foreign collaboration in its own exploration efforts, the public sector Oil and Natural Gas Commission is also trying for contracts in Iraq. Oil was actually struck in the concession given to the ONGC, but the quantity was not sufficient to exploit it in commercial quantities.

## RESERVE BANK REPORTS ON CURRENCY, FINANCE

## Report for 1980-81

Bombay THE TIMES OF INDIA in English 17 Dec 81 p 9

[Text] Bombay, December 16--The Reserve Bank of India (RBI) feels the inflationary trend in the country's economy will continue though the pace of price increase had declined.

In its report on "Currency and Finance" for 1980-81, RBI points out that though there had been an improvement in output, there were no indications of a halt to, much less a reversal of, the inflationary trend. Widening trade gap and further drop in foreign currency reserves along with monetary expansion at a higher rate called for effective utilisation of available resources for strengthening the economy, the report adds.

The year 1980-81 witnessed a marked improvement in foodgrains output and industrial production. According to the revised estimates, the foodgrains output was expected to touch 130 million tonnes, considerably higher than the 110 million tonnes of the previous year--a year of droughts in various parts of the country.

The report also notes with alarm the fall in the savings rate during the year despite the increase in money supply as well as real income. In the industrial sector, the overall index of production rose by 4.6 per cent during July-December against a decline of 2.9 per cent in the first half of the calendar year 1980.

However, the infrastructural constraints have continued to hamper industrial growth. Power generation has been below the estimated requirements. Availability of transport is still erratic, while shortages persist in important inputs like cement and steel, the RBI observes. Further, the pace of monetary expansion had been accelerated. Currency with the public, aggregate deposits with commercial and co-operative banks and other deposits with the RBI increased by 18.8 per cent during 1980-81. This was against the rise of 15 per cent, in the previous year.

As regards the price situation, the bank has observed that the rate of increase in the wholesale price index in terms of the monthly average declined during 1980-81 to 16.7 per cent from 20.2 per cent in the previous year. In the current year up to the end of October, the decline in the rate of price increase was pronounced, with the wholesale price index for all commodities rising by only

0.1 per cent between the end of June and October against the rise of 4.7 per cent in the same period last year.

The report points out that the growing impact of external factors on the domestic economic situation and the structural character of external payments imbalance that the country is faced with, is underlined by the developments during the year, with a further deterioration in the external payments position. In the first quarter of the current financial year (April-June) foreign currency assets of the RBI declined by Rs. 495 crores against Rs. 389 crores in the corresponding period last year.

#### Further Details Reported

Madras THE HINDU in English 17 Dec 81 p 10

[Text]

BOMBAY Dec 16

The Reserve Bank's report on currency and finance, 1980-81, says the loan recently sanctioned to India by the International Monetary Fund, should provide the balance of payment support in the immediate future, while the economy presses on with structural adjustments needed to correct the external payments imbalance.

The report, however, stated that the loan in itself could not be viewed as a sufficient condition for the strengthening of the economy.

The requirements of economic management would doubtless accord high priority to a measure of price stability. Such stability could be enduring and effective only if improved growth of overall production and productivity was secured and maintained. This would require both more investment and more effective utilisation of the available resources.

#### Shortages persist

While there had been developments on the industrial front, infrastructural constraints had continued to hamper industrial growth. Even with the growth it had recorded, power generation had been below the estimated requirements. Availability of transport was still erratic, while shortages persisted in important inputs like cement and steel.

Further, the pace of monetary expansion also accelerated. It rose by 18.8 per cent in 1980-81 as against 15 per cent in the previous year. The increase in reserve money during the

year was 19.2 per cent against 14.1 per cent in 1979-80.

The report said that despite the increase in money and real income in 1980-81, the savings rate was estimated to have declined fractionally. This was partly a reflection of the nature of the increase in national income which was recorded over the depleted level of income in 1979-80.

In relation to 1978-79 the real national income two years later (1980-81) was only 1.7 per cent higher. The ratio of estimated aggregate savings to net national product in 1980-81 was considerably lower than the peak attained in 1978-79, a feature which suggested erosion of the savings capacity in a period of rising prices.

#### Rise in cereal prices

As regards the price situation, the report referred to the increase in cereal prices and said it should be viewed in relation to the depleted level of food stocks, which had played a significant role in the past two years in subduing the impact of adverse developments in agriculture.

By present reckoning, 1981-82 held promise of good agricultural output for the second consecutive year. This, together with the programme for import of wheat, should strengthen the stock position, with some allowance made for the pace of flow through the pipeline and could influence future price developments favourably.

On exchange reserves, the report said the foreign currency assets declined by Rs. 342 crores in 1980-81. But for

the drawdown of Rs. 274 crores from IMF's compensatory financing facility and receipts of Rs. 546 crores under the trust fund loan, the decline would have amounted to Rs. 1,161 crores.

During the first quarter of 1981-82, that is April-June 1981, the foreign currency assets of the Reserve Bank declined further by Rs. 486 crores to Rs. 4,327 crores. This fall was greater than that of Rs. 389 crores in the first quarter of 1980-81.

#### 'Balance of payments deficit will increase'

Developments in foreign exchange reserves during the first quarter of 1981-82 and other indicators suggest that the overall deficit in balance of payments in 1981-82 as a whole would exceed that in 1980-81.

Following the resumption of crude oil supplies from eastern India, and the recent increases in domestic prices of petroleum and petroleum products, imports of crude and petroleum products needed in 1981-82 will be lower. On the other hand, the full impact of the international oil price increases, which were spread over 1980-81, will be felt for the first time in the year's import bill.

Wheat imports already arranged, and imports required in connection with Plan investments as also to support the increases in domestic industrial and other production and to attain the price objectives, will further raise the import bill. The international economic situation, on the other hand, is far from encouraging to achieve any marked improvement in exports.

CSO: 4220/7573

## TRADE PLANS WITH BULGARIA, IVORY COAST REPORTED

Bombay THE TIMES OF INDIA in English 17 Dec 81 p 7

[Text] New Delhi, December 16--The State Trading Corporation signed a contract with Bulgaria for a joint venture to manufacture "fashion" leather gloves, all of which will be bought by Bulgaria.

This Rs. 1-crore project raises the number of Indo-Bulgarian joint ventures to 13. Negotiations are going on for setting up joint ventures for footwear and lamb-fur skin.

The two countries have decided to explore further areas of co-operation, including joint ventures in third countries. The commerce minister, Mr. Pranab Mukherjee, told the visiting Bulgarian first deputy minister for foreign trade, Mr. Georgi Yutov, that the two countries could have joint ventures in third countries in the areas of cement, pulp and paper, civil construction, power, telecommunications, textiles and sugar industries.

The Bulgarian minister said that the recent visit of the Prime Minister, Mrs. Gandhi, to Bulgaria had created a suitable atmosphere for promoting bilateral economic relations.

## With Ivory Coast

Several new items for two-way trade were identified during the working group meeting held here to follow up the decisions of the Indo-Bulgarian joint commission.

The items which can be imported by India include petroleum products, chemical fertilisers, steel products, cement, PVC resin, pharmaceutical products, defence equipment, cargo ships and food-processing equipment.

India offered, besides the traditional items, diesel engines, scooters and bicycles.

Mr. Mukherjee also held talks with the commerce minister of Ivory Coast, Mr. Amokan Fdjampan Thiomele, who welcomed India's decision to set up an office of the Engineering Export Promotion Council in Abidjan, capital of Ivory Coast.

India offered to co-operate with Ivory Coast for its development in the fields of agriculture, agro-based industries, small industries and the railways.

Mr. Mukherjee noted that an exchange of business delegations had recently taken place between the two countries. The two ministers agreed on the need for having a joint trade agreement between the two countries. It was noted that a draft trade agreement was being considered by the two governments.

India's main imports from Ivory Coast are rough diamonds. India's exports to Ivory Coast are unmanufactured tobacco, chemicals and allied products, textiles, machinery and transport equipment, iron and steel manufactures, handicrafts, hand-tools and machine tools.

CSO: 4220/7573

## IMPROVEMENT OF TRADE TIES WITH JAPAN DISCUSSED

Bombay THE TIMES OF INDIA in English 21 Dec 81 p 10

[Text]

TOKYO, December 20 (PTI) : At \$2 billion last year, Indo-Japan trade has stagnated relative to the enormous rate of growth that Japan's foreign trade is showing. If this is not a matter of enough concern, India's traditionally favourable balance of trade with Japan is also shrinking.

Besides, Japan's cumulative investment in India at the end of last year was \$39 billion or 0.1 per cent of its total overseas investment. Japan took 21 years to reach that figure.

Ways to improve Indo-Japanese economic relations were discussed here recently at a two-day meeting of business leaders and officials from the two countries. Their discussions ended in agreement that more needs to be done. And to determine what exactly can and should be done, three task forces were set up and the standing committees of both sides were instructed to carry on their 14-year-old dialogue.

The Indian side has presented facts and figures to show there could be no real economic reasons why the Indo-Japan trade should not grow faster than it has been doing for many years now or why Japanese capital should be as slow to go to India as it has all these years been.

For the first time in the history of their consultative meetings, the government of India representatives took

direct part in the Tokyo discussions. Mr. N. K. Singh, minister (economic) in the Indian embassy here, listed liberalisation measures taken in India to improve the foreign investment climate in India and the areas where foreign investors should find enormous scope.

To expand trade, it was agreed, that there should be some shift in the traditional trade pattern. India imported at present steel and machinery and exported primarily iron ores, marine products and gems and jewellery.

The Indian delegation headed by Mr. Arvind Lalbhai, president of the Federation of Indian Chambers of Commerce and Industry, invited the Japanese businessmen to participate in the development of new trade items they were interested in.

The Japanese are keen to take part in the development of India's coal resources suggesting coal could be a new item of Indian export to Japan. It was decided to assign a task force to go into the matter and report within next few months.

The Japanese have asked India to reconsider their offer of its coal development technology. They said an agreement on this subject must be expedited well before 1985, by when the Japanese must make firm arrangements for foreign coal on a long term basis with coal producing countries.

CSO: 4220/7582

## INDIA EXPECTS TO BENEFIT FROM EEC TARIFF SCHEME

Calcutta THE STATESMAN in English 23 Dec 81 p 9

[Text]

NEW DELHI, Dec. 22.—India stands to make limited gains from the "across-the-board" increase in the value of ceiling- and quota by 8% to 15% on a large range of industrial products by the European Economic Community in its scheme of Generalized Tariff Preferences for 1982 but not as much as other developing countries.

This is because some key "sensitive" items have not been affected by the increase. These include foot wear, some chemicals and electronic products in which India has substantial capacity and had hoped to increase its exports to the EEC and other industrialized countries.

The main gain from exports to the EEC is still in doubt. It will emerge from the negotiations now in progress on the multi-fibre arrangement to replace the existing arrangement, which is due to expire at the end of this month. The EEC has left textile items out of its present GSP.

There is considerable doubt about the outcome of the negotiations, since the EEC has collectively taken a tough stand that will not enable liberalization of exports of developing countries of the mandate given to the negotiators to be carried out.

The EEC stand on the new multi-fibre arrangement is said to be aimed mostly against countries such as Taiwan, Hong Kong and South Korea, which import most of the raw material for their textiles

and then export them, unlike India which is both a producer of the raw material and an exporter of textiles.

India cannot, however, benefit by this because all textile-exporting developing countries agreed at a conference held in New Delhi recently that they would adopt a common stand at the Geneva negotiations, and hence is bound to protect the interests of all.

The EEC preferences will benefit developing countries exporting agricultural commodities, preferential margins on 45 products having been increased, while six items will be allowed to be imported to European countries duty free.

India gains to the extent that the duty-free items include certain spices, dried bananas, coconut, flour, meat extracts, meat juice and fish extracts. Among the 45 items are spices such as pepper and cinnamon, castor oil, un-edited palm oil intended for technical or industrial use, certain sauces and cigars and cigarellas.

Nine new products have been included among them unrooted cuttings, trees and shrubs, pineapple juice and certain spirituous beverages.

Five new products have been included in the duty-free list for the least developed countries—certain vegetables, lentils, partially preserved fruits, cocoa beans, cocoa shells and husks. The same countries have been given duty-free access for certain types of tobacco and for preserved pineapples.

CSO: 4220/7587

'MINORITY MINISTRY' NAMED IN KERALA

New Delhi PATRIOT in English 28 Dec 81 pp 1, 7

[Text] Trivandrum, Dec. 27 (PTI, UNI)--The rebel Cong-S group in Kerala has named Mr Oomen Chandy as its member in the Karunakaran Ministry set to assume office tomorrow morning.

The eight-member Ministry, the 12th since the formation of the State besides, Mr Karunakaran, as Chief Minister, will have Mr C. H. Mohammed Koya (IUMI) as Deputy Chief Minister, and Mr Oommen Chandy (Cong-S Antony group), Mr K. M. Mani (Kerala Congress-Mani), Mr P. J. Joseph (Kerala Congress-Joseph), Mr Sundaresan Nair (National Democratic Party), Mr C. M. Sundaram (Praja Socialist Party) and Mr K. Sivadasan (RSP-Sreekantan Nair group) as Ministers.

The appointment of the Chief Minister and the seven Ministers was formally announced by the Governor this evening.

The coordination committee of the UDF went into session tonight to finalise allocation of portfolios and Mr Karunakaran said it will be ready by tomorrow.

Angry Protests

The induction of the United Democratic Front Ministry evoked angry protests from the Left Democratic Front leaders as well as dissident Cong-S leaders, who alleged that the Front did not enjoy the requisite majority in the 141-member Assembly.

Former Chief Minister and CPI leader P. K. Vasudevan Nair said Mr Karunakaran could so far claim the support of only 68 members. The Governor should 'explain' who were the MLAs outside the UDF who had offered support to the Ministry. If not, the people would treat her claims as 'hollow', he said.

State CPI-M leader V. S. Achuthanandan alleged that the Governor had allowed herself to be a 'pawn' in the hands of those who ruled the Centre. The 'wrath' of the people must rise against the Centre that was 'foisting' a minority Ministry and the Governor who 'abetted' it, he added.

Dissident Cong-S leader K. Sankaranarayana Pillai demanded that the Governor disclose the names of MLAs, besides the 68 members of the UDF, who she claimed had signified their support.

Mr Pillai said in a statement here that since the Janata Party had categorically stated it would not support a Ministry with Cong-I participation, the UDF had only the support of 68 members.

Mr P. C. Chako, leader of the six dissident Cong-S MLAs, who returned to Cochin this evening from Bombay after discussions with party president Sharad Pawar, described the formation of a 'minority Ministry' in the State as 'unfortunate and against all political ethics.' He said the new ministry will not be able to face the Assembly 'even for a single day.'

The new Ministry consists of two ex-Chief Ministers, three ex-Ministers and three new faces.

Both Mr Karunakaran and Mr Koya were Chief Ministers previously for brief periods. Mr Karunakaran was in office as Chief Minister for one month before he resigned in April 1977, in the wake of the Rajan case and Mr Koya for 51 days till 1 December 1979 when his Ministry resigned following withdrawal of support by the Cong-S.

The ex-Ministers are Mr Oommen Chandy, Mr K. M. Mani and Mr P. J. Joseph.

Mr R. Sundaresan Nair, Mr C. M. Sundaram and Mr K. Sivadasan are the new comers.

CSO: 4220/7599

INDIAN FIRMS TO SUPPLY MINING MATERIALS TO USSR

Calcutta THE STATESMAN in English 17 Dec 81 p 16

[Text] New Delhi, Dec. 16--India will supply metallurgical and mining equipment and also rolls, castings and forgings worth Rs 21 crores to Russia in 1983, according to a contract signed between the two countries here today.

The contract was entered into by the State-owned Heavy Engineering Corporation in Ranchi and the Mining and Allied Machinery Corporation in Durgapur with Metallurgimport of the USSR.

Russia will supply hydro-turbine runner profiles under another contract signed with the State-owned Bharat Heavy Electricals, according to an official Press release.

The contracts were signed today--the last day of the eight-day-long third session of the Indo-Soviet working group on machine building. A 12-member Soviet delegation headed by Mr E. Y. Zuzhulev, Deputy Minister of Heavy and Transport Engineering, took part in the session.

Of the Rs 21 crores worth contract signed with Metallurgimport, the value of equipment alone will be Rs 13 crores. The volume of equipment, castings and forgings to be supplied to the USSR from the Ranchi, Durgapur and Hardwar plants for the years 1983 to 1985 were tentatively identified. According to the release, this would lead to the placing of further orders.

The two sides also agreed during the meeting to set up an export group to go into the desirability of expanding cooperation between machine-building plants of the two countries and come up with concrete recommendations by the middle of 1982.

CSO: 4220/7574

## ESSENTIAL GOODS IMPORTS COSTLY, INFLATION SLOWS

Calcutta THE STATESMAN in English 15 Dec 81 p 9

[Text]

NEW DELHI, Dec. 14.—Checking inflation by improving the availability of essential goods through imports has been achieved at a heavy cost. As much as Rs 810 crores of foreign exchange has been used to make these imports this year.

Thus, apart from imports of crude oil, petroleum products and fertilizers—which account for nearly 45% of the total import bill—the import of consumer goods has contributed heavily to the trade gap and the pressure on foreign exchange reserves.

The biggest slice is accounted for by food imports, wheat having been imported this year for the first time in five years because of the depleting stocks. The 2.26 million tons of wheat bought from the USA and Australia so far this year cost the country Rs 330 crores.

The next largest amount has gone into importing 736,000 tons of edible oil from the spot markets in the USA, Brazil, Europe, Canada and Malaysia. This cost another Rs 328 crores.

Sugar imports from Britain this year totalled 215,000 tons at a cost of Rs 106 crores. This just about enabled the Government to make sufficient supplies through the public distribution system and forced it to forgo its share of exports under the International Sugar Agreement.

However, since production in the last sugar season has been good, it is expected that no further imports will be required this year. In fact, sugar exports under the agreement are being resumed.

Finally, 1.455 million tons of cement have been imported from North and South Korea, Taiwan and the Philippines at a total cost of Rs 77 crores. Despite this, there is still a considerable shortage of Cement which is being sold at a premium in the blackmarket.

These imports represent what is called the supply management side of the economy, which, together with control of demand, is said to have reduced the current inflationary rate to around 7% on a point-to-point basis.

CSO: 4220/7565

## SOVIET UNION PLANS RECORD IMPORT OF INDIAN TEA

Calcutta THE STATESMAN in English 18 Dec 81 p 9

[Text]

THE Soviet Union is about to make the highest ever import of tea from India this year. The country has already purchased 70 million kg of tea till November this year, against 39.6 million kg purchased in 1979 and 40 million kg last year.

The Centre has permitted the Soviet Union to lift another 10 million kg this year. The Tea Board has recommended the country's request to the Centre for permission to lift yet another 10 million kg tea by the end of the current calendar year. If the latest request is granted, the Soviet Union will be purchasing 90 million kg of tea from India this year. The earlier largest purchase made by the country from India was 62.1 million kg in 1973.

Since 1973, Russia has been re-exporting on an average 5.6 million kg of tea a year to Mongolia and 2.1 to 2.8 million kg of tea a year to Poland. The per capita consumption of tea in Russia is about 550 gm, according to the International Tea Committee Report.

Meanwhile, India's tea export

till November this year has already equalled the amount exported during the whole of last year. Between January and November this year, 224 million kg of tea have been exported, against 206 million kg exported during the same period last year. The Board's sources hoped that the total export during the current calendar year may reach 240 to 245 million kg.

The consultative committee on tea of the United Nations Conference on Trade and Development is scheduled to meet in New Delhi from February 6 to 8 for fixing the global tea export quota of the producing countries. The meeting will be followed by a special session of the International Tea Promotion Association there.

The production in north India up to the end of October this year was 9.4 million kg less than that produced during the corresponding period last year. The total production in north India during the period this year was 388.9 million kg, against 398.3 million kg during the same period last year, according to the Tea Board's estimates.

CSO: 4220/7576

STATE FIRM TO EXPORT MACHINE TOOLS TO USSR

Bombay THE TIMES OF INDIA in English 20 Dec 81 p 14

[Text] New Delhi, December 19--The state-owned HMT is to export machine tools worth Rs. 122 million to the Soviet Union.

An agreement for this was signed today by Mr. T. V. Mansukhani, managing director, HMT limited and Mr. Yuri A. Simonov, director, Stankoimport, the USSR state agency for the import of machine tools.

The signing of the agreement registers a new high in the trade relations between HMT and the Soviet Union and holds the promise of a substantial further increase, not only in the export of products of this leading public sector undertaking, but also in its project consultancy services abroad, especially in Afro-Asian countries.

Under the agreement HMT will export 487 machines of various types, of which about 300 are due to be supplied by December, 1982, and the balance during 1983.

Negotiations are also in progress for the supply of special purpose machines worth about Rs. 500 million. The Soviets have also evinced interest in HMT's printing machines.

Apart from the USSR, HMT has already established an export market for its machines and project services in over 70 countries all over the world. A Rs. 550-million joint venture machine tools complex is being put in Nigeria. A turn-key project for the manufacture of water metres, gas metres and regulators is being set up in Algeria.

In Tanzania, HMT is setting up eight facilities centres. Iraq, Sri Lanka, Indonesia and the Philippines are among the Asian countries using consultancy services from HMT.

CSO: 4220/7579

## PRC DELEGATION TOLD OF EXPORT PROBLEMS

New Delhi PATRIOT in English 27 Dec 81 p 8

[Text] President of Federation of Indian Export Organisation Binay Kumar has told the high power Chinese delegation currently visiting Delhi that the two countries should not encourage competition between themselves for export to the developed nations but be rather complementary to each other. This would help both the countries realise higher unit value of their products from exports, he added.

The Chinese delegation is led by Mr Dong Yougan, chief of the Foreign Economic and Trade Arbitration Division, China Council for the Promotion of International Trade, Beijing.

About Rs 36 crores out of Rs 43 crores grant given by the European Economic Community (EEC) for 1981 will be used for procurement of fertilisers by the MMTC and to meet the needs of Himachal Pradesh water supply scheme.

About Rs 7 crores will be utilised for flood protection schemes in Uttar Pradesh and West Bengal.

An agreement to this effect was reached at the annual talks between India and the EEC held at Brussels from 7-9 December.

EEC had also been giving substantial assistance in the form of milk products for the Operation Flood II. India has been one of the largest beneficiaries of the EEC assistance to the non-associate countries.

## FAIRTEX FOR USSR

India will export about a 100 million metres of processed cotton fabrics, totally valued over Rs 500 million to the Soviet Union in 1982.

The items that will be exported include screen printed tapestry, satin, sheeting and chintz mercerised fabrics, roller printed sheeting, lawn mercerised, pre-shrunk poplin, bleached candy sheeting, mercerised cambric, fancy printed dress material two sides printed mercerised preshrunk tebelised, and sewing thread.

A spokesman of the Indian Cotton Mills Federation told PTI today that the bulk suppliers were very happy with the Soviet order and the mills too were glad with what the textile industry had done in this direction.

The spokesman on the India side had succeeded in securing a 10 to 16 percent price hike in respect of different processed cotton fabrics. The minimum of 10 percent increase was in respect of the superfine categories while the coarser varieties like tapestry, and medium varieties it was 16 percent.

## INVENTORS, SCIENTISTS GET IMPORT SUBSTITUTION AWARDS

BK050717 Delhi NATIONAL HERALD in English 29 Dec 81 p 5

(Excerpt) Bombay, 27 Dec (UNI)--The satellite centre of the Indian Space Research Organisation (ISRO) has developed an "infrared horizon crossing sensor"--an instrument that keeps track on a screen of any object moving in space.

The instrument, tested in the cases of the Bhaskara-One, Bhaskara-Two and Rohini satellites, was also used to correct their positions in orbit, and is not only an improvement on comparable units available in the United States of America, but also far less expensive, according to ISRO officials.

The team of instrument engineers of ISRO, led by Mr T. K. Alex, were today awarded the first prize for this invention by the All-India Instrument Manufacturers and Dealers Association for making a significant contribution in import substitution and technical development at home.

The association had received 65 applications which were evaluated by a committee headed by Prof Harsh Vardan, director of the Central Scientific Instruments Organisation in Chandigarh.

The second prize went to Mr T. S. Subramanian of the Hindustan Lever Research Centre in Bombay for inventing a "gas liquid chromatograph," which can trace impurities in medicines and chemicals. Five of these instruments had been gifted to universities and one to the laboratory of the Council for Scientific and Industrial Research, it was announced.

Mr Virendra Singh Sethi and his associates in the Terminal Ballistics Research Laboratory in Chandigarh were awarded the third prize for inventing a "digital blast data recorder," which has been field-tested by defence laboratories and used in testing the strength of explosives.

A consolation award was given to Mr G. K. Bhide and his team of the Pune unit of Bharat Electronics for inventing an "image converter tube," used by the defence forces for surveillance in the dark. This instrument was considered better than those available abroad and meant a saving of over Rs 60 lakh in foreign exchange for the Defence Ministry alone.

Dr S. N. Bagchi of the Central Scientific Instruments Organisation of Chandigarh was also awarded a consolation prize for inventing the "ultrasonic hardness tester," used to test the hardness of steel products.

## NIGERIAN WORKERS TO TRAIN IN INDIAN STEEL PLANTS

New Delhi PATRIOT in English 20 Dec 81 p 5

{Text}

One hundred and twenty-eight personnel of Delta Steel Company of Nigeria will be trained in steel plants in India, reports PTI.

An agreement in this connection was signed recently between the Steel Authority of India Limited (SAIL) and the Metallurgical Engineering Consultants India Limited (MECON), a SAIL press release said in Delhi on Saturday.

The training, lasting between 23 and 26 weeks, will be provided in the steel plants for raw material handling, steel making, rolling mill, oxygen plant, lime plant, electronical distribution, instrumentation, telecommunication and computer programming.

Negotiations are also underway for signing of a fresh agreement for training another batch of personnel from the Ajaokuta Steel Company Limited, the release said.

SAIL have been handling training of foreign nationals especially from developing countries in various specialised areas of steel. Technical training institutes in all plants are full-fledged centres for skill development.

So far, more than 500 technical personnel from Afghanistan, Burma, Indonesia, Iran, Nigeria, the Philippines, South Korea, Sri Lanka, Vietnam and West Germany have been trained and many of them now occupy key positions in the steel industry in their respective countries, the release added.

Class: 4/20/7181

## TROUBLE WITH U.S. COAL SHIPMENTS REPORTED

Madras THE HINDU in English 26 Dec 81 p 7

[Text]

VISAKHAPATNAM Dec 25

Though there was some gap in the arrival of imported coking coal in June and September three ships have arrived since carrying over 92,000 tonnes of coal. Over 30,000 tonnes imported from the U.S. is still lying in the port area though the coal which arrived by a subsequent ship from another country has already been despatched to Bhilai.

Normally coking coal is imported from Australia and Canada for blending with indigenous coal for use in the steel plants. For the first time, it was decided to import two lakh tonnes from the U.S.

On a trial basis, one shipment of 29,882 tonnes was received in August this year. The second shipment of 30,085 tonnes arrived during the last week of November. Subsequently another ship carrying about 33,000 tonnes arrived from Canada on December 1. So far this year the Visag port has received 3.21 lakh tonnes and the entire stock has been transported to Bhilai except the 30,000 tonnes received from America.

According to normal practice, the transport and shipping division of the Steel Authority of India (SAIL) collects samples of imported coal and sends it to the steel plants for analyses. The despatch of the coal depends on the results of analyses.

The imported American coal is reported to have more ash content than the permissible level and this has held up the stock still in the port although the local officials are tight-lipped.

Some time ago, scientists of the Birbal Sahni Institute of Paleobotany, Lucknow, had analysed the imported coal and found it not only impure but also inferior.

In the meantime, coking coal stocks at the integrated steel plants are coming down. As against 2.70 lakh tonnes available on November 1, the stock as on December 1 was 2.39 lakh tonnes. The safe level is five lakh tonnes.

INDIA

BRIEFS

AMBASSADOR TO GAMBIA--Roop Krishna Anand, ambassador-designate of India to Senegal, has been concurrently accredited as ambassador of India to the Republic of the Gambia with residence in Dakar. [Text] [BK271209 Delhi ISI Diplomatic Information Service in English 1012 GMT 27 Dec 81]

ENVOYS TO INDONESIA, GUINEA-BISSAU--General Om Prakash Malhotra, former chief of the army staff, has been appointed ambassador of India to Indonesia in succession to Sadarshan Kumar Bhutani. He is expected to take up his assignment shortly. Roop Krishna Anand, ambassador designate of India to Senegal, has been concurrently accredited as ambassador of India to the Republic of Guinea-Bissau with residence in Dakar. [Text] [BK231225 Delhi ISI Diplomatic Information Service in English 0904 GMT 21 Dec 81]

ENVOY TO BOTSWANA--Amar Nath Ram, high commissioner of India to Zambia, has been concurrently accredited as high commissioner of India to Botswana with residence in Lusaka. [Text] [BK020929 Delhi ISI Diplomatic Information Service in English 0829 GMT 2 Jan 82]

LOAN TO PDRY--India is giving a 10 million rupee loan to the People's Democratic Republic of Yemen. It will be used to import machinery and equipment from India for setting up an industrial estate in that country. An agreement for this has been signed in New Delhi. India has agreed to send a team of experts to Yemen to assess its industrial requirements. [BK301125 Delhi Domestic Service in English 0240 GMT 30 Dec 81]

ASSAM TRIBAL PROTECTION--The center has promulgated a president's act for Assam to prevent dispossession of agricultural land belonging to tribals and schedule castes. According to an official press release issued in New Delhi, the act gives priority in allotment of agricultural land to these communities. It also prohibits land transfer to persons who are not permanent residents of the locality. Previous permission of the deputy commissioner is required for transferring the land to persons outside these communities even if they are permanent residents. [Text] [BK310931 Delhi Domestic Service in English 0240 GMT 31 Dec 81]

MIG-25 CRASH--New Delhi, 21 Dec (AFP)--A super-secret spy plane supplied to the Indian Air Force by the Soviet Union crashed recently at an advanced Indian air base, according to the popular fortnightly INDIA TODAY. In its latest issue, the magazine said in its "In the Air" column that the electronic reconnaissance MIG-25 called Foxbat, which was on a routine flight, suddenly swerved while on

a landing approach and hit the ground. This was said to be the first time that a MIG-25 had crashed in several years. The magazine said that the Soviet Union had supplied "a few" Foxbats to the Indians recently. Military experts believed the Indian Air Force received at least one squadron of the MIG-25's. [Text] [BK210737 Hong Kong AFP in English 0709 GMT 21 Dec 81]

AEROFLOT OFFICIALS ARRESTED--Bombay, Dec. 14--Two officials of the Soviet airline Aeroflot, charged with having tried to smuggle into India gold valued at Rs 22.55 lakhs have been remanded in jail custody till December 21 by a metropolitan magistrate here, reports PTI. The seizure was made on Saturday at Sahar international airport from Anthony Taylor who, after arriving from Singapore, was about to get into a mini-bus waiting near the aircraft, the preventive customs officer, Mr S. A. Amle told the magistrate. Mr Amle said Taylor carried the contraband in an attache case to be handed over to Darryl Timmins and an Indian national waiting outside the airport. Taylor and Timmins as well as Indian were arrested and have been remanded in jail custody by the magistrate. The court was told that besides gold, they had seized watches valued at Rs 82,400 from Taylor. [Text] [Calcutta THE STATESMAN in English 15 Dec 81 p 12]

INDO-ROMANIAN PACT--New Delhi, Dec. 14--India and Rumania signed a trade protocol for 1982 today. It envisages a turnover of Rs 262 crores both ways, representing an increase of about 10 per cent over 1981. The protocol was signed by Mr. S. K. Sarkar, Joint Secretary in the Ministry of Commerce, and by Mr. S. Voinov, Director General, Ministry of Foreign Trade on behalf of Rumania. The protocol provides for import from Rumania of fertilizers, rolled steel products, newsprint, railway equipment, oil prospecting and drilling equipment, tractor components and synthetic fibres. Exports from India will include iron ore, machine tools, electronic components and other engineering goods, leather, jute goods and coffee. New items such as woollen goods, chrome ore and castor oil have also been included in the protocol. [Text] [Madras THE HINDU in English 15 Dec 81 p 10]

TIES WITH IRAQ--Baghdad, Dec. 15 (PTI)--India and Iraq have decided to further strengthen bilateral relations in all fields. Iraqi first Deputy Premier Taha Yassin Ramadhan told Labour Minister N. D. Tiwari that Iraq favoured the expansion of bilateral relations between developing countries to enable them to meet superpowers on an equal footing. Mr Tiwari, who heads the Indian delegation to the second conference of Labour Ministers of non-aligned countries, met Mr Ramadhan here last night. Mr Tiwari also handed over a message by Prime Minister Indira Gandhi to Iraqi President Saddam Hussein. Mr Tiwari had an exclusive meeting with the Iraqi Labour Minister Bakr Mahmood Haq. [Text] [New Delhi PATRIOT in English 16 Dec 81 p 3]

SOVIET AID PLANS--Construction of a power complex at the base of the coal deposit of Singarauli will be the biggest project of Indo-Soviet cooperation in the eighties, Soviet embassy's economic department expert Dr Victor L. Korneev said

in the Capital on Tuesday. Speaking on 'Soviet-Indian Economic Cooperation after President Brezhnev's visit to India in December 1980' he said the Singarauli project would have a big coal mine of 14 million tonnes coal extraction capacity with coal concentration mills and a thermal power station 'Vaidan' with 3000 MW capacity and 900 kms transmission lines. To help India in financing this and other major projects, the Soviet Union had offered a 520 million roubles credit and a part of this credit would also be utilised for the construction of the Vishshakapatnam steel project, he said. Besides coal and power generation, oil exploration and extraction from another major field of cooperation between the two countries, Dr Korneev added. [Text] [New Delhi PATRIOT in English 16 Dec 81 p 10]

INDIGENOUS COMPUTER--Hyderabad, Dec 22--System-332, the largest computer system, has been developed and manufactured for the first time by the Electronics Corporation of India Limited (ECIL), according to Mr. S. R. Vijayakar, Managing Director, ECIL. The know-how has been developed entirely indigenously. India thus becomes the seventh country in the world to develop computer systems of this class and capabilities. Mr. Vijayakar told pressmen that the design of System-332 enabled it to be suitably configured and expanded, according to the needs of application. The inherent parallelism within the system resulted in high performance in processing. Its versatility enabled it to be used effectively in commercial, scientific and real time application environments. Mr. Vijayakar said that the first System-332, being supplied to SHAR, Sriharikota, would be used for real-time data acquisition and monitoring of satellites. The second system would be supplied to the Madhya Pradesh Government. System-332 was eminently suitable for organisations which had a turn-over of Rs 20 crores or more and which had large scientific and business applications such as linear-programming, project management, production planning and control, freight movement, inter-branch reconciliation and financial accounting. [Text] [Madras THE HINDU in English 23 Dec 81 p 9]

GANDHI TRAVEL PLANS--New Delhi, December 14--The Prime Minister, Mrs. Indira Gandhi, will have a busy schedule of foreign visits in the new year. She will visit the U.K. in March at the time of the "Festival of India" there, and will also go to another important West European country. In June, she is expected to visit Norway, Finland and Denmark. An invitation for a visit to Greece is also pending. The Soviet Union is also keen that Mrs. Gandhi should visit Moscow. [Text] [Bombay THE TIMES OF INDIA in English 25 Dec 81 p 1]

AGRICULTURAL DEVELOPMENT LOAN--Rome, Dec. 24--The executive board of the International Fund for Agricultural Development has approved a \$25-million loan for India, reports PTI. It is to be utilized for irrigation development in Madhya Pradesh. The loan project to India is among a total of 15 to be extended to several countries in Asia, Africa and Latin America "as soon as funds become available." The board which recently met here for three days endorsed a proposed \$450-million development programme for 1982 subject to "further review" next year. [Text] [Calcutta THE STATESMAN in English 25 Dec 81 p 5]

INDIA-CHINA SOCIETY--An 'India-China Society' was formed at a meeting of members of Parliament, legislators and social workers, representing various parts of the country, in New Delhi on Wednesday. The meeting was attended by more than ten

parliamentarians, including Prof S. S. Mohapatra, general secretary of the Cong-I Mr B. N. Pandey, Mr Srikant Verma and several legislators and social workers. Mr B. N. Pandey and Prof S. S. Mohapatra are conveners of the society. [Text] [New Delhi PATRIOT in English 25 Dec 81 p 7]

FOREIGN MINISTRY DENIAL--The Ministry of External Affairs on Thursday denied press reports that the Indian high commissioner in London and India's ambassador to Washington were being replaced, reports UNI. The report circulated by a syndicated columnist had stated that Foreign Secretary R. D. Sathe would replace the Indian high commissioner in London Seiyd Muhammad. It had also stated that Secretary in the External Affairs Ministry Eric Gonsalves would replace K. R. Narayanan in Washington. The Ministry in a statement said that "normally such unfounded reports were ignored, but the report has been reproduced in foreign newspapers leading to unwarranted speculation." There was no truth whatsoever in this report which was "purely fictional." [Text] [New Delhi PATRIOT in English 25 Dec 81 p 8]

YOUTH CONGRESS-I SECRETARY--Mr Anand Sharma, president of the Himachal Pradesh unit of the Youth Congress (I) has been appointed general secretary of the Youth Congress, reports PTI. Mr Harbhajan Singh, secretary of the Himachal Youth Congress, has succeeded Mr Sharma as the State youth body's president. [Text] [New Delhi PATRIOT in English 27 Dec 81 p 8]

SOVIET TEXTILE ORDER--Bangalore, December 30 (UNI)--The National Textile Corporation has bagged an export order from the Soviet Union for 16 million metres of cloth, worth Rs. 10 crores. Announcing this in a press conference here today, the NTC managing director, Mr. Moosa Raza said this was the biggest-ever export order the NTC had secured since it entered the export market in 1975. Its total exports so far amounted to Rs. 12 crores. Mr. Raza said the NTC would shortly supply three million metres of polyester cloth to the defence department. He claimed that the NTC was the only textile unit in the country to secure the ISI trade mark for its polyester blend. He said 97 per cent of the 970 million metres of cloth presently turned out by the NTC's 112 nationalised mills were of a coarse variety and the remaining three per cent superfine. This three per cent would be raised to five per cent when the first stage of modernisation was completed by 1985, he said. [Text] [Bombay THE TIMES OF INDIA in English 31 Dec 81 p 22]

CSO: 4220/7600

KAMPUCHEA

EDITORIAL SAYS KHMER ROUGE STANCE BUTTRESSES SRV

Paris MOULKHMER in French Dec 81 pp 2-3

[Editorial in the monthly organ of the KPNLF: "Son Sann--The Big Loser?"]

[Text] This is the term Prince Norodom Sihanouk, the former chief of state and high councilor of the Khmer Rouge, applies ironically to Son Sann, the president-elect of the Khmer People's National Liberation Front (KPNLF), in his commentary (see the BULLETIN MENSUEL DE DOCUMENTATION, November 1981) on the failure of negotiations with a view to forming an anti-Vietnamese provisional coalition government sought by the ad hoc committee which met in Singapore on 4 September 1981. A past master of the art of reversing roles, he will use any means to ridicule all those he views as personal enemies. Quite simply because they refuse to share his crackpot whims.

It is true that the president of the KPNLF achieved nothing, but he lost none of his prestige at all, since he is still repelled by the idea of any coalition with the Khmer Rouge and its allies, who were responsible for the deaths of several millions of their compatriots, and above all, for the end of Kampuchean national independence.

On the contrary, it is the Khmer Rouge and its former chief of state and high councilor who, at Beijing's instigation, fought tooth and nail and insisted on imposing the principle of coalition with them on Son Sann, who have lost all their illusions.

In fact, to test the sincerity of these assassins who are only too inclined to deceive their compatriots, Son Sann had to make them dance to his tune, demanding the majority of the ministerial posts for the KPNLF and proposing that the most seriously compromised Khmer Rouge leaders be exiled, while they in turn tried, with the support of the pro-Sihanouk faction, to impose tripartite principles for the distribution of the ministerial tasks. He cannot but congratulate himself, therefore, because despite this "failure," he has won greater sympathy from the free nations who support him. For example, the Singapore government, in agreement with the four other ASEAN nations (Thailand, Malaysia, the Philippines and Indonesia), is now urging, to the great detriment of the Khmer Rouge and their advocates, who can only force a smile, a new proposition, a so-called "loose coalition," in which each element in the Kampuchean resistance would retain its identity and its army.

For Son Sann, in order not to appear in the eyes of his supporters too intransigent, is agreeable to this new proposal, the Khmer Rouge, on the contrary, has asked for a 1-month delay in order to consult its leader.

As for Sihanouk, in order to protect his flank, all he could do was to maintain a grip on Son Sann's coattails. Otherwise he would have been shelved indefinitely, for while his "personal enemy" is doing battle in the field, in Kampuchea, he for his part contents himself with tilting at windmills in France or elsewhere or amusing himself in luxury night spots in other foreign countries.

But the big winner in this affair can only be Hanoi, for it is North Vietnam which is profiting from the time lost through the fault of the Khmer Rouge and their advocates to establish its troops in Kampuchea more solidly.

It is not of course Son Sann who has played into the enemy's hands. It is the Khmer Rouge and their advocate who, on the pretext of doing battle against this same enemy, are on the contrary conducting themselves entirely as potential allies of Hanoi, as they had already done before in the still recent past.

Moreover, Sihanouk is not yet in a position to accept the military aid from Beijing he was promised to equip 3,000 soldiers. He is not in a position to do so because he can barely rally in the field the 300 men who belonged to the Moulinaka movement of the former commander Kong Sileas, and who are now committed to him.

One can only conclude, then, at the very least, that he is even now not in earnest, to the great misfortune of his people. Can one have confidence in this man, who is as responsible for the catastrophic situation in Cambodia as the Khmer Rouge? If there are still some nostalgic enough to remain devoted to him, despite the worst he has done to his people and his country, this is their absolute right.

As for ourselves, we will never cease to denounce his incalculable crimes. And it is also our right to do so, for Kampuchea belongs to us as well.

Let that fact be made known.

5157  
CSU: 100/17

## THE REFUGEE CRISIS

### THE REFUGEE CAMP

According to the UNHCR, there are 10 million refugees in the world, and 10 million more are considered "internally displaced."

According to the UNHCR, "Refugees are defined as people who have been forced to leave their homes or country because they are not getting enough food, water, or shelter." There are not enough statistics to track the number of refugees.

According to the UNHCR, "Refugees remain in their country, either in one or more countries from time to time, owing to a well-founded fear of being persecuted because of their race, religion, nationality, membership of a particular social group or their political opinion. They are not able to return home safely, they cannot. In fact, food is not available in their home country. And everyone knows that they have to leave. They have to leave because they have 'no guarantees of calories' noted in documents of the UNHCR, which do not appear in official statistics. And the UNHCR says that there is a large majority nation that has denied refugees the right to stay. Some were buried alive, or buried in mass graves, or buried in大使館, work for humanitarian organizations, who were compelled to bury themselves far outside the camp, out of sight, in the jungle last spring to Bahrain with 'guarantees' of safety."

According to the UNHCR, "Refugees are people who have been forced to leave their homes or country because they are not getting enough food, water, or shelter." There are not enough statistics to track the number of refugees.

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and so on, in the hope of getting a good  
position, either by conditions in the hope, or to  
make a small profit without much risk and trouble,  
as in Rhodesia. A few months before the in-  
dependence of their nation, they were to have sold  
off their oil田 to the East African Company, since their  
oil田 was to be nationalized. The company had to be  
persuaded, other than those few. They are in  
the oil田 business, the oil田 business, the oil田

that the situation is negative. It can indeed happen that a lower stage committee is interested in a CCP for propaganda purposes. The latest such basic committee is the one in "The 6 We're eight of the," relayed a refugee. "The 6 are the revolutionaries. They were dressed all in black and were analytic. They were very good. We have no fear that some day the will take us away to the CCP."

and illegal powers. Obviously, any conscientious person who dares to complain against maladministration and corrupt officers and officials exposes himself to innumerable hardships, torment and troubles.

It should be remembered that the contemptible practice of bribery is not carried out by anyone alone. No one can adopt this practice all by himself. Rather, it must be done with the help of friends and companions. The thread of bribery in our country is very strong and quite long, and stretches from Karachi to Landi Kotal with several strong connections along its length. The President, Chief Marshal Law Administrator General Muhammad Ishaq himself mentioned the wide extent of this curse recently, and said that the complaint that no work can be done without bribery is as much secret among one and all and is spread far and wide.

It is also believed that, God willing, the steps outlined below may prove effective:

The government should have every government and semi-government employee touch his head to the Quran and swear by his religion that he will not take a bribe from anyone, and that he will fulfill the duties entrusted in him honestly and incorruptedly.

It is very important at this time for the country to establish an effective detection system to locate bribery and to oversee government and semi-government employees and their properties and possessions, and be fully knowledgeable about them at all times, so that no employee can ever again have an opportunity to take bribes.

The establishment of groups for the prevention of corruption should be encouraged at the local level. The government should give every help and protection to groups with good records and results and give them funds for operation.

If some persons are known and singled out to be corrupt but escape punishment, the law enforcement authority will meet the same fate as the existing anti-bribery department. It is absolutely essential to prosecute the corrupt to the fullest extent as regular criminals. Under the present conditions, in view of the seriousness of the problem of corruption and the mounting public outcry against it, the government should go fully committed to punishing the bribe-takers by confiscating their properties and possessions.

It goes without saying that if a murder is committed in broad daylight somewhere in the country, the sympathies of the public will be swelling to testify in court, despite their being scared to death, because they will be afraid of the anger and revenge of the accused. Similarly, it is true that one reason for the almost daily increase of bribery in the country is that no one has the courage to speak out against it. Usually one sees that when someone lodges a complaint of bribery against an authority, the one complainor is described as crazy and half-witted. It is extremely important that the one lodging the complaint be given a fully justified and fair legal protection.

MUSLIM LEAGUE TO EXPEL FEDERAL COUNCIL MEMBERS

Lahore THE PAKISTAN TIMES in English 6 Jan 82 p 1

[text]

LAHORE, Jan 5: The General Secretary of the Women's Muslim League, Khwaja Khairuddin, and a p. Sabiruddin Mahmood Begum, said that her party would not restore even the primary membership of those leaders who had been expelled from the organisation for accepting Government's nomination to the Federal Council.

Speaking informally to reporters, Begum said the consensus within the group was that the party should stick to its principles and should not allow any of her members to violate these principles.

She said Khairuddin Group was interested in the unity of all the factions of the Muslim League only on the basis of principles and was of the opinion that at the crucial stage of political history the unity of all the parties was of even greater importance than the unity of the League.

She reiterated the party's demand for a national govern-

ment should be set up for an interim period to hold elections so that democracy could be restored.

Recalling that the Muslim League had been split into two groups in 1978 on the question of joining the government she claimed that her group had repeatedly rejected various governments. She said she expressed surprise that while the Muslim League had been largely criticised for associating itself with the People's Party in the MRD the Government had itself selected about 100 members of the defunct PPP to sit in the Federal Council.

She said the Muslim League considered the MRD as a legitimate movement for restoration of democracy as both the internal and external situation demanded complete unity and active participation of the people. The nation should not forget that fake elections held after fake Ministries formed in former East Pakistan in 1971 had proved to be counter-productive.

701-220/140

## Student election - ISLAMI JAMIAAT TALABA

Editor: M. I. MIRZA (M. I. MIRZA)

[Text]

By our reporter

—WHILE the Islami Jamiat-i-Talaba won elections to students unions in a majority of Lahore's non-professional colleges, elsewhere in the Punjab it had to concede victory to different fronts formed against it.

As last year, students of Lahore colleges formed united fronts under different names against the Jamiat. These organisations included Anjuman Talaba-i-Islam, Muslim Students Federation, Istiqbal Students Federation, NSF, Quaid-i-Azam Students Federation, Ravian Front, Black Eagles, and others.

## Lahore results

In Lahore the Islami Jamiat-i-Talaba lost in Government College, Government College, Baghbanpura; Government Superior Science College, Wahdat Road; Islamia College, Cantonment; Hashmi Memorial College; Government College of Education; Lahore College for Women; Government Girls College, Gulberg; and Queen Mary College. In the last three colleges, independent candidates won the polls.

The Jamiat registered victories in F.C. College; Dyal Singh College; M.A.O. College; Islamia College, Civil Lines; Islamia College, Railway Road; Government College, Ravi Road; Model Town College, and Government Commercial Institute.

In various district colleges of the Punjab for which results are available, different anti-Jamiat fronts won in Faisalabad, Sahiwal, Okara, Kasur, Sheikhupura, Rawalpindi and Multan. In Multan, the Jamiat lost in all the seven colleges. United fronts—comprising NSF, ATI and PSF—won at the Government College, Bosan Road; Civil Lines College Wilayat Hussain College; Islamia College and Alamdar Hussain College. In women's college independent candidates swept the polls.

The Islami Jamiat-i-Talaba, in a statement, claimed victory in 44 out of 211 colleges of the province. The overall results in the province were a matter of surprise for quite a few quarters.

According to a statement issued by the Anjuman Talaba-i-Islam (ATI), Anjuman candidates won in 15 colleges in the Punjab, while in 20 other colleges ATI candidates partially succeeded.

The Muslim Students Federation, in a statement in Lahore, accused the Jamiat of using illegal means and violence to manipulate the victory in most of the colleges.

LEADER FAVORS ROUNDTABLE OF PARTIES

Karachi DAWN in English 7 Jan 82 p 1

[rest]

LAHORE, Jan 6: The Acting chief of Tehrik-i-Istiqlal, Mian Muhammad Ali Kasuri, expressed hope today that the round table conference of the political parties, proposed and initiated by Maulana Shah Ahmed Noorani, would be held shortly.

In an informal chat with newsmen at his residence, at the end of the morning session of the Working Committee of the Tehrik, he said that during their recent meeting at Lahore Pir of Pagara had assured him that on his return to Karachi he would request Maulana Noorani to renew his efforts for convening the RTC of the parties.

Answering a question, he said his party had no intention of considering the questionnaire, issued by the Islamic Ideology Council, because it was of the opinion that the government had no authority to amend or suspend the 1973 Constitution by its ad hoc decisions.

Asked if his party would be

willing to attend the RTC, even if one or more constituents of the MRD were not invited, he said that it was for the Working Committee to take a decision.

He said that the residents of the provincial organisations of the Tehrik had submitted their annual reports to the Working Committee, which made it amply clear that the situation in the country was not as calm and peaceful as it was being painted by the government or the Press.

He said the Working Committee would draw up a programme for celebrating the birth anniversary of (Retd) Air Marshal Asghar Khan on Jan 17 with which other political parties would also be associated. He noted that the Tehrik chief had remained continuously under detention since Oct 16, 1979 excepting a brief break of five weeks.

The Working Committee, which will remain in session for two days, is considering the political situation in the country with special reference to the formation of Majlis-e-Shura.

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MAJLIS-I-SHOORA RULES

Karachi DAWN in English 6 Jan 82 p 1

[text]

ISLAMABAD, Jan 5: The Federal Council (Majlis-i-Shoora) will, for the time being, adopt the same rules of procedure of the National Assembly of 1973 till such time as its own rules are framed.

Official sources said here today that the procedure and conduct of business in the Federal Council (Majlis-i-Shoora) will be regulated "as nearly as possible and so far as applicable by the rules of procedure of conduct of business in the National Assembly until new rules are framed," official source said here today.

Members will be entitled to ask questions from the Ministers under the above mentioned rules.

The Shoora may discuss and consider, among other things, the Legislative, Federal and con-

current list of 1973 and recommend to the President enactment of a law or amendment of an existing law relating to these matters. The Secretariat of

Majlis-i-Shoora has formed six committees to deal with various matters relating to the forthcoming session of the Majlis, which will commence here on Jan. 11.

Official sources said that rooms in the Government hostels will be allocated to the members of the Majlis-i-Shoora by computer ballot, to be held here tomorrow.

Balloting will be organised by the Secretariat in the regional office of the United Bank.

Sources said that rooms in the hostels were in great demand. The Secretariat has received 700 requests for 80 rooms.—APP

CSO: 4220/189

LEADER HAILS FEDERAL COUNCIL

Karachi DAWN in English 6 Jan 82 p 1

[Text]

LAHORE Jan 5 The Chairman of the defunct Tehrik-i-Intiqal, Lahore, Dr Ateeq Hassan Bokhari, said today the constitution of the Federal Council was a positive approach and a right step for the revival of democracy in the country.

In a Press statement, he said that during a recent tour of various places in the country he had met a large number of Tehrik workers and other people who favoured the creation of the Council.

He said President Gen. Mohammad Zia-ul-Haq had taken an important and a meaningful step by constituting the Council which would lead to the creation of a situation in which democracy in the country would start functioning without any hindrance.

He appealed to political parties to realize the gravity of the situation in view of the external dangers facing the country and to keep the national interest before them while taking any decisions. At this juncture complete identity of thought and mutual trust between people and the Government was imperative to foil the designs of subversive elements against the integrity of the country. Pakistan needed peace and tranquillity to attain economic prosperity, he said—APP

## PAKISTAN

### PLEDGE FOR ISLAMIC ORDER REITERATED

Karachi MORNING NEWS in English 9 Jan 82 p 10

[Text]

LAHORE: In a Pledge of Pakistan, Federal Ministers had categorically assured the people that the present Government was determined to enforce Islamic order in the country whereas no odds may be.

They were addressing a highly attended reception hosted in their honour by Karkhan-i-Tehrik-i-Majlis-i-Ummat Pakistan under the Presidentship of Amr Abdullah Khan Rizvi at the residence of Mr Ghulam Yarzani Mian in Shahdara.

The Ministers were Mr Mahmoud A. Haroon, Major-General Rao Farman Ali Khan, Mr Ghulam Dastgir Khan, Mr Ehsa Bakhsh Soomro and Mr Zafarullah Khan Jamali.

Mr Mahmoud A. Haroon Federal Minister and a pioneer worker of the Pakistan Movement said that the people should differentiate between their friends and foes and cooperate only with those who wanted to make Pakistan a strong bastion of Islam.

Mr Haroon said that the 99 per cent of the country's population loved Islam very dearly and would never accept alien ideologies to flourish in the country. Pakistan was created in the name of Islam and it could be only on the basis of Islamic ideology Islam he added was a complete code of life for Muslims for all times.

He said that the country could not be put on sound footing with the help of mere speeches. Those who wanted to serve the country would have to build their characters and redeem the pledge which they had made with Almighty God at the time of the creation

of Pakistan.

He said that the old politicians had ruined this country in their lust for power now the nation had seen their real face and rejected them for ever.

He said the deviation from the objectives of Pakistan Movement and lack of enthusiasm resulted in the dismemberment of the country.

He said the future leadership should emerge from the younger generation to replenish faith and spirit this leadership, he added it will have the fear of God and should work in accordance with the Islamic principles.

#### FARMAN ALI

(Major General) Rao Farman Ali Khan, Federal Minister for Petroleum and Natural Resources said the aim of a separate homeland for Muslims was not for 'Roti-Kapra Aur Makan' of other economic reasons but the country was achieved for the sake of Islam otherwise 'Roti Kapra and Makan' were available to the Muslims of the united sub-continent.

He said Islam provided the best character of human rights. It was a modern religion with its principles applicable and implementable anytime. U7 doomsday.

He said the Western democracy in which marriage of man with man and woman with woman was allowed was not allowed in Islam and hence the democracy would not work here.

#### DASTGIR

Mr Ghulam Dastgir Khan, Federal Minister for Labour and Manpower said that he had to bargain the interests of

engaged in the conspiracy of spreading the seeds of linguistic and regional discrimination in Sind and certain newspapers were supporting this campaign through articles therein.

'Jeh-Sind Movement' was in the field with the same designs he added.

Mr Ghulam Dastgir Khan alleged that the responsibility of the subversive activities rested upon the shoulders of those who were against the creation of Pakistan and had not yet accepted it whole heartedly.

#### SOOMRO

Mr Ehsa Bux Soomro Minister for Industries was of the view that Pakistan was achieved for safeguarding Muslims and establish the supremacy of Islam. The claims if made by any one that it was for Punjabis Baluchis Sindhis or Pathans would be baseless he added.

He thanked the Government of General Zia-Ul-Haq for the introduction of Islamic system in the country.

#### JAMALI

Mr Zafarullah Khan Jamali, Federal Minister of State for Food and Agriculture regretted that the system of Government for Pakistan had not yet been decided even after 35 years of its inception.

He asked the people to watch the activities of the present Ministers and inform the Government in case of any conspiracy against them.

He called upon the students not to be exploited by political groups and stick to their studies. He said nobody will be allowed to bargain the interests of

## REFUTATION OF INDIAN ALLEGATIONS ABOUT PAKISTANI ARMS PURCHASES

Jehawar MAGHRIB in Urdu 4 Dec 51 p 7

Bulletin: "Scandal-mongering of Indian leaders"

Text: The Indian opposition party has refuted in Parliament India's false accusations that Pakistan has become a danger to India, and that the new tension in South Asia is due to Pakistan making preparations for war. Stating that the situation is in fact just the opposite, the Indian opposition party made it clear that the Indian government is creating a war frenzy against Pakistan in order to divert the attention of the people from their true problems. The Indian opposition party also advised the governing party that for the sake of the peace and prosperity of the area it should accept the non-aggression pact proposed by Pakistan.

India's defense Minister Shri Raj gave the same tired old false logic in reply, saying that clouds of war are gathering in the western border and that the government must make the public aware of this real danger. He claimed that Pakistan is about to receive 150 fighter planes and other modern weapons, and that this will bring the balance of power in the area to tilt in favor of Pakistan. He also stated the new rumor that the price stated for the weapons Pakistan is about to receive from America is less than the true price, so that in fact it is important to think that Pakistan is receiving only a limited number of weapons. In addition, he repeated Mr. Motahar Qadri's statement to the effect that on the one hand Pakistan is staging Hitler on a wide scale while on the other hand it is propelling the non-aggression pact, and that this offer should therefore be looked on with care.

The statement of the Indian government leaders is absolutely contrary to the true state of affairs. That is why it has neither influenced Indian public attention nor been received with any attention on the world level. The danger of Indian Hitlerism especially on the western frontier is only in their own minds. The situation on the frontier is normal and peaceful, and rather than anti-aggression pact, Pakistan is putting emphasis on a pact with India and not on Hitler.

For a long time now Indian weapons are concentrated. Pakistan has not even received any of these yet. They are still not available and will be implemented over a longer period, and the delivery of these planes will only be available after a year. In this time

India see the balance of power shattered when Pakistan has not yet received even the first shipment of American arms? There remains the rumor that the true price of the American arms is more than has been stated. The whole world knows that the arms industry in America is not under government control but is part of the private sector, and that the American government therefore has no power to lower the price of weapons. The Pakistani government in fact had at first requested the American government to sell them arms at a discount, but the American government had replied with the explanation that it had no authority to lower the price of weapons. So the claim that Pakistan is receiving weapons of more worth than those agreed upon in the pact is nothing more than a white lie.

Finally, we should discuss the skepticism of the Indian leaders regarding the non-aggression pact proposed by Pakistan. Mrs. Indira Gandhi, Mr. Narasimha Rao, and Shri Jay Prakash Narayan were saying all along that because Pakistan is buying new weapons from America, it cannot be sincere in regard to the non-aggression pact. The first point to be made in answer to this is that Pakistan has just now begun to purchase weapons after a long period, while India has been continually stockpiling weapons for many years. But Pakistan did not even hint that India was only preparing for a war against it just on the basis of their stockpiling weapons. All the countries of the world buy and make weapons according to their needs, but this does not mean that they are about to attack some other country. The acquisition of weapons in the present day is strictly for defensive purposes. Like India, Pakistan too has to fight to acquire weapons for its self-defense. Therefore, there is no justification for casting doubts on Pakistan's intentions just because it is purchasing arms from America. However, if India has legitimate doubts, then they can be removed through discussions. Pakistan is making a concrete proposal for a non-aggression pact. If India considers it worth of consideration, then there will be discussions on both sides and the non-aggression pact will be given some definitive capacity of implementation. India may bring up whatever points it wishes in the talk to satisfy itself, but let it also be willing to consider the proposal. In fact, the truth is that the present leadership of India is caught in a war frenzy against Pakistan and has no interest in renewing a non-aggression pact between the two countries.

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ANNUAL DEBT LOAN (1973)

PARIS/PAKISTAN 10 JANUARY 1973 27 p. 1

Text

WASHINGTON, Jan. 7: Pressured by resurgence in Pakistan's economy during the last three or four years, World Bank officials indicated here today that the Bank may agree to advance Pakistan, over and above its due share of interest-free IDA credits, concession-rate loans up to \$100 million dollars a year for structural adjustments.

More specifically, says PTT special correspondent Ghani-Drabi, the World Bank President, during his forthcoming visit to Pakistan, is likely to offer to finance expansion and optimum utilization of the country's energy resources, maximization of its farm output and assignment of a more meaningful role to private enterprise in accelerating the pace of industrial development.

World Bank experts apparently feel that having so successfully dispensed the subsidy economy of the early seventies, Islamabad is now pretty well set to reach out for a major break-

through a horizon, and this is expected to form the main underlying theme of Mr. A.W. Clausen's talks with the Pakistani policymakers who, they say, have already made some tough decisions to put the economy on an even keel.

While conceding that the incentives offered by the present Government have already accelerated the search for oil, they point to the artificial price structure that they say is curtailing the quest for new gasfields. They maintain that consumers using but gas for domestic fuel get away with paying one-fifth or one-sixth of what the poorer people have to pay for firewood, charcoal or kerosene for equivalent amount of energy and that fuel forms such a small part of production costs in most industries, that there is little risk of Pakistan manufacturers being priced out of the world market. They suggest a gradual revaluation of the gas price structure.

The administration's 1970 guidelines to the World Bank called for a 100 per cent reduction in subsidies, particularly Government's to fertilizer and private sector fertilizer, which are mostly imported. Varieties of subsidy, however, namely, 1100000000 rupees in 1970 and 1971, remain above 1970 levels. They find PAKFED's subsidies to a fertilizer plant to be counterproductive to rehabilitation the sector, which offers the potential to contribute an additional 100000000 rupees.

World Bank economists among its officials expect expansion of the private sector industries and more vigorous streamlining of the public sector. Performance review was concluding that marked progress has been made recently in respect of this.

The PTT correspondent recalls that the World Bank's assess-

ment of Pakistan's debt base is 1967 since then it has financed some 30 priority projects at a cost of over two billion dollars in IDA credits and concession loans. About 50 per cent of the money has gone into public sector, 30 per cent into agribusiness, 10 per cent into industry and two per cent into education. —PTT

'RECODER' URGES NO IMPORT OF BANKING, INSURANCE

Karachi BUSINESS RECORDER in English 7 Jan 82 p 2

[Editorial: "No, Thank You"]

[Text]

*Business Recorder*, as a matter of principle, always favours private sector enterprise in all fields of economy. It also welcomes all foreign entrepreneurs interested in making genuine investment in industrial fields where Pakistan lacks resources or technical know-how. But we have always found it difficult to feel happy at encroachments by foreign entrepreneurs in spheres where Pakistan has all the expertise available, and which lead to denuding the country of its wealth through remittances of profits or high priced imports from parent companies.

Of all such spheres, banking and insurance is one where we certainly have all the infra-structure, knowledge and expertise that can cater and does cater to all types of the country's needs. Our bankers have made their mark the world over. It is

therefore, difficult to feel happy when any foreign entrepreneur wishes to enter this lucrative field in the guise of a friend and an investor with Pakistan's interest at heart. And, we cannot endorse the idea of John Kidde setting up an investment bank in Pakistan. What is it that his new bank would be able to do that the existing foreign banks and our own banking and investment institutions with offices within the country and abroad, are not doing or cannot do? So far as mobilising and 'coordinating' the investment activity of American investors and Overseas Pakistanis is concerned, what gives the idea that the institutions already working in the field are not geared to do the job? Yet another reason to reject the proposal, and we consider it much more important, is that any particular sector of economy which is not open to Pakistanis living in Pakistan can-

not and should not be made available to any non-national, as the comparative second position for Pakistanis, is not only not acceptable but abhorrent to us. If there is any need to introduce more multi-nationals in the investment banking sector, what prevents us from allowing Habib Bank Zurich to come in with a subsidiary, or Agha Hasan Abidi's BCCI a wider spread in Pakistan? Then again, if John Kidde can get permission for setting up a bank in Pakistan, why cannot the Habibs, the Adamjees, the Dawoodas, the Saigols and the Shaikhs?

Our reply to any foreigner who wishes to come in the field of banking and insurance should be "no, thank you". But welcome they are in the field of heavy engineering, petro-chemicals, aircraft and electronics. Let Kidde try his luck there. He would be most welcome.

RUPEE DELINKED FROM DOLLAR

Karachi DAWN in English 8 Jan 82 p 1

[Text]

ISLAMABAD, Jan 7: THE PAKISTAN GOVERNMENT HAS DECIDED TO DELINK THE RUPEE FROM THE U.S. DOLLAR WITH EFFECT FROM TOMORROW (FRIDAY), THE FINANCE MINISTER, MR. GHULAM ISHAQ KHAN ANNOUNCED TODAY.

At a Press conference after a special Cabinet meeting held here today with President General Mohammad Zia-ul-Haq in the chair, the Minister said: "We want to have an independent economic management policy". He also read a short Press note, containing the decision.

Pakistan will maintain a managed floating exchange rate of Pakistan rupee with reference to a trade weighted basket of currencies of the country's major trading partners.

The Finance Minister said interests of Pakistani importers and exporters would be protected and the decision was taken

in the best interests of the country.

Dollar will continue to be the intervention currency and the Pak rupee/dollar rate will be fixed daily by the State Bank of Pakistan.

Under the new arrangement, the rupee/dollar rate tomorrow will be rupees 10.10 to a dollar.

The Minister made it clear that it had nothing to do with any condition by International Monetary Fund (IMF), which has been notified as a normal course about the change in Pakistan's currency status.

The Minister said in 1973 when the rupee was devalued, a parity rate of Rs 11 a dollar was fixed. But in 1973, when dollar itself was devalued and Pakistan Government fixed the exchange rate at Rs 8.50 for a dollar.

After the second devaluation of dollar, Mr. Ghulam Ishaq Khan said most of the world currencies had adopted to the floating exchange rates. Of the 143 members of the IMF only 39 were linked to the U.S. dollar and these too were largely Latin American trading partners of the United States.

He said pegging of Pak rupee with dollar only maintained the rate against dollar but it could not provide necessary foreign currency which was necessary.

He said that with the diversification of trade the Government thought it fit to delink rupee from the dollar and provide Pak-rupee "an active exchange rate," he said. "Fortunes of rupee were buffeted by fortunes or misfortunes of dollar and we had an exchange rate, which depended on the U.S. economy."

After this Government came into power, he said the Government had a close look at this link and decided it was not correct policy to depending entirely on U.S. dollar. However, the Minister said for some time Pakistan reaped the advantage of depreciation of dollar but since last July it started moving upward. He said corrective measures were taken to support exports by extending concessions. It was thought that this situation would be soon corrected because the U.S. economy was traditionally not used to live with the high interest rates. He said Pakistan's expectations did materialize to some extent as dollar did fall by three per cent but later it largely remained

erratic without any pattern. "We thought time had come that we are no longer able to be governed by the fortunes or misfortunes of dollar."

Replying to a question, the Minister said China has emerged as the single largest trading partner of Pakistan followed by Iran. He said: "You have to take care of your competitors." He said during the first five months of the current year, cotton cloth exports had grown by about 30 per cent in quantity and 37 per cent in value added. However, he said yarn exports were not doing well. He added that imports have remained static during the last five months.

Replying to another question, he said the decision will not have significant impact on domestic price situation.

Asked whether the country's economy would also be delinked from Western economies, the Minister said the on-going process of [word indistinct] would do so. "But we cannot give a jolt to the economy and would like to move forward gradually."

CSO: 4220/190

KARACHI PROFESSORS CHARGED UNDER MARTIAL LAW

Lahore VIEWPOINT in English 31 Dec 81 p 15

[Article by Iqbal Jaffery]

[Text]

THE Special Military Court has charged Jam Saqi, Prof. Jamal Naqvi, Amarlal, Kamal Warsi, Suhail Sanghi, Shabbir Sher and Badar Abro with publishing, printing, circulating and possessing literature likely to promote hatred between different classes, under Martial Law Regulation No. 4.

Under martial law regulation No. 13, they have been charged with spreading dissatisfaction towards the armed forces, etc. and under Martial Law Regulation 18, they have been accused of propagating opinion, etc., prejudicial to the ideology of Pakistan.

Suhail Sanghi, Amarlal and Badar Abro, have been accused of abetting under Martial Law Regulation No. 36.

The accused have also been charged with sedition under section 124-A-149 of the Pakistan Penal Code.

The charge-sheet served on the accused by the Special Military Court said that in July, 1980, the authorities recovered anti-State literature from their possession which they had printed with ulterior motives.

So far thirty-five students of the Karachi University and the NED Engineering University have been rounded up by the local police on charges of attempt to murder and violation of Arms Act. The Vice-Chancellors of the two Universities have expelled 21 students for three years.

The local police have not been able to apprehend anyone in connection with the murder of Shoukat Cheema about which an FIR was lodged at Gulshan-e-Iqbal Police Station.

However, students arrested from the Karachi University under Section 1551 Cr. P. C. have been released on bail. The rest have been remanded to judicial custody.

Meantime, the new office-bearers declared elected on "consensus" were inducted into office under a heavy police guard the other day.

All vehicles going inside the two campuses are still thoroughly searched by the armed police posted at the main entrances.

RISE IN EXPORTS TO FRANCE REPORTED

Karachi MORNING NEWS in English 8 Jan 82 p 8

[Text]

The French Ambassador in Pakistan Mr M. Paul Henry, said here yesterday that Pakistan's exports to France recorded a rise of 40 per cent during the first nine months of 1981 and there was a scope for further development of trade exchanges.

He was formally launching the Trade Guide published by the Pakistan-France Trade Committee of the Federation of Pakistan Chambers of Commerce, and Industry before a select gathering of industrialists, traders and members of the Diplomatic Missions.

He said that the launching of the Guide was taking place at a time when the commercial relations between the two countries were reaching a modest, yet, meaningful level.

In 1980-81 France ranked 10th, as a supplier to Pakistan and 11th as its client country representing 2.8 and 2.1 per cent of the total Pakistani import and export trade.

PROJECT

France, the Ambassador said for many years has been participating in many development projects in Pakistan by financing required equipment as well as transfer of appropriate technology.

He said that four air bus aircraft were sold to the PIA and options for two more have just been confirmed. He added that

French know-how will be extended for the setting up of cement plants a dredger-hopper was supplied to Karachi Port Trust by the French shipyards.

Pakistan Mr Paul Henry said, has discovered French market for her exports of carpets, textiles leather items sports goods refined petroleum products agricultural products etc. The tremendous rise of Pakistani exports to France is a testimony to it.

SPONSORS OF TRADE GUIDE

Congratulating the sponsors as well as the authors of the Guide the Ambassador said, that this document would indeed meet a long-felt need amongst the trade circles of the two countries. The information contained in the guide would help them in better appreciating the business prospects of the two markets whether it be for cash sales, for technical cooperation or for joint venture.

TRADE DEFICIT

Earlier, the President of the Federation of Chamber Mr Yusuf Zia pointed out that Pakistan's trade deficit with France has increased from 25 million dollars per annum since 1976-77 to about 50 million dollars and during these five years Pakistan's total trade deficit has increased to 391 million dollars. Part of this adverse balance is due to the fact that Pakistan imported capital goods financed by loans and aid. The amount

of aid received by Pakistan from France has amounted to 274 million dollars during the last five years. This has partly compensated for the trade deficit of 391 million dollars during these years. Even after accounting for aid flows from France, Pakistan ran up a trade deficit of 117 million dollars during this period.

TEXTILE EXPORTS

Mr Yusuf Zia said that on the other hand Pakistan's exports face growing restrictiveness. It has been very difficult for Pakistan to increase textile exports to the European Community.

Stressing the need for finding out possible solutions to the problem of continuing disequilibrium in trade, the Federation Chief expressed the hope that the sympathetic attitude of the present French Government towards the North-South dialogue would result in improving the situation in favour of the developing countries.

Proposing the vote of thanks, the Chairman of Pak-France Trade Committee Mr Abdul Kadir Jaffer, said that it was the first Guide brought out by a committee of the Federation. He said the Guide would promote trade between the two countries and project the image of Pakistan in France. It will also foster the existing cordial relations between the two countries.

—APP.

RUPEE DELINKING SEEN AS BOOST TO EXPORTS

Karachi DAWN in English 8 Jan 82 p 1

[Text]

Hailing the Government decision to de-link the rupee from the US dollar, the President of the Federation of Pakistan Chambers of Commerce and Industry, Mr Yusuf Zia, said it was much over due and should give a new boost to the export trade.

The selection of the "strong basket" was particularly welcome, he said. "We are now on our two feet."

He recalled that the FPCCI first advocated devaluation back in 1977, and noted that between July 1980 and October 1981, the dollar appreciated by about 30 per cent, making Pakistan's products costlier and un-competitive.

The cotton and textiles suffered from the double squeeze of a strong dollar and the international price, while even the 12 per cent rebate was not enough for the carpet industry.

In respect of products where Pakistan's direct competitor is India, exporters had still greater difficulty, he felt.

Replying to a question Mr Yusuf Zia said the Government had the option for floating the rupee and wisely rejected it. The country could not take the risk of fluctuations in the dollar, he said.

The decision should also encourage overseas Pakistanis to make increased remittances which, in turn, would improve the country's exchange earnings, he observed.

PPI adds:

The former President of the Federation of Pakistan Chamber of Commerce and Industry and

Vice-President of Islamic Chamber of Commerce and Industry and Commodity Exchange, Mr Meher Alvi, also welcomed the Government's decision to delink Pakistan currency from US dollar.

While expressing hope of increase in country's export earnings, he asked the Government to consider rationalising import duties as imported goods would also become dearer.

He also suggested for evolving some workable formula for easing foreign loan burden on the industry.

The former President of Karachi Chamber of Commerce and Industry, Mr G.R. Arshad, also welcomed the Government decision and said it was a long standing demand of the traders.

However, he called for a deep study of the decision and examine the possibility of rationalisation in economic policies to offset any possible adverse effects.

However, a number of businessmen were reluctant to give any immediate reaction stating that they would study the implications of this decision particularly in relation to country's ever rising import bill which is almost double to that of export earnings. The resultant trade deficit has also to be examined.

Yet another aspect to be studied, they said, would be the position of outstanding foreign loans particularly by the industries which were already groaning under the impact of massive devaluation of Pakistan currency in 1972.

MINISTER PLEDGES CLEAN DRINKING WATER

Karachi MORNING NEWS in English 9 Jan 82 p 8

[Article by Fakhre Imam]

[Text]

TAXILA, Jan. 8: Syed Fakhre Imam, Minister for Local Government and Rural Development said here yesterday by 1980, 100 per cent of urban population would be provided with clean drinking water while the rural population would get its 60 per cent water requirement by the end of the century.

Opening a water supply scheme here, the Minister said the Government was keen to provide the civic amenities to the people and it had undertaken several development programmes to solve their problems.

Syed Fakhre Imam said the Government was also taking measures to ensure sewerage facilities and in the next decade 70 per cent of urban population would benefit from the proposed sewerage schemes.

The Minister regretted that the former governments had been negligent in ensuring the people's well. He said since the creation of Pakistan, only 3,600 villages had been electrified till 1977

while during the last four and a half years an equal number of villages had been electrified which was a clear indication of the present Government's keenness in the welfare of the rural masses. About the Taxila water supply scheme the Minister said it had cost Rs. 7.2 million and it would benefit the entire local population of 24,000.

Syed Fakhre Imam stressed the need for checking wastage of water and keeping it clean.

While urging the cleanliness of water, the Minister said 40 per cent of diseases were water borne which could be averted by keeping water resources clean.

He told his audience that 30,000 people in the world died of water born diseases daily which was a horrible figure, posing a challenge to the world.

In a developing nation like Pakistan, the Minister said, only 24 per cent of entire population had been provided drinking water. In the urban areas the Minister added 74 per cent population had been provided

with drinking water while only 20 per cent of rural population was sharing it.

About the sewerage facilities, the Minister said only 13 per cent total population was enjoying sewerage facilities which were further shared by 40 per cent urban and 2 per cent rural masses.

In the next decade, the Minister added, sewerage facilities would be extended to the 70 per cent urban and 13 per cent rural masses. The Minister also stressed upon the local bodies to be vigilant against wastage of water and getting it polluted.

It is corporate responsibility of the Government as well as of the people, to check wastage of water and avoid its pollution, the Minister said.

Earlier, Mr Masihullah, Chief Engineer, Public Health Engineering Department presented address of welcome while Mr Nasir Hussain Shah Chairman, Town Committee apprised the Minister of the local problems

—APP.

CSO: 4220/188

SUI, PIRKOH GAS INTEGRATION PLAN

Lahore THE PAKISTAN TIMES in English 6 Jan 82 p 10

[Text]

KARACHI, Jan 5: Pirkoh gas will be integrated with the Sui gas transmission system to augment gas supply in the Sui-Karachi region under an ambitious project costing 126.41 million dollars and estimated to be completed by the end of June 1984, it is learnt here.

The project will be implemented by OGDC and Sui Gas Transmission Company which will involve foreign exchange component of 71.40 million dollars and 55.01 million dollars equivalent in local currency cost.

The Asian Development Bank has provided 55 million dollars from its ordinary capital resources for the project to finance part of the foreign exchange cost of the project

while the balance of foreign exchange component and the local currency cost will be financed by the Pakistan Government.

The objective of the project is to expand gas supply to meet the growing demand in the Sui-Karachi field located in Baluchistan as well as by constructing a gas transmission system.

The project will have significant economic benefits. It will provide gas for power plants, cement plants, steel mills and other industries which will be set up in the Sui-Karachi region. It will also ensure the supply of gas to many key towns in the region. It will also save 160 million dollars foreign exchange earnings per annum.—PPI.

CSO: 4220/190

## SAUDI HELP EXPECTED FOR FUEL OIL PLANT

Karachi MORNING NEWS in English 8 Jan 82 p 6

[Article by Shahidur Rahman]

[Text]

ISLAMABAD, Jan. 7: Pakistan is planning the setting up of a 154 million dollar hydro-cracking plant with possible Saudi finances for undertaking refining of its surplus fuel oil into middle distillates currently being imported by the country.

Gen. Ferman Ali, Federal Minister for Petroleum and Natural Resources told Morning News that the Hydro-cracking project was among the projects which were discussed by him with Saudi Oil Minister Zaki Yamani for Saudi financial help during the latter's visit to Pakistan concluded this Saturday. He said details of the projects for which Pakistan is seeking help from Saudi Arabia would be firmed up during his proposed visit to Saudi Arabia.

Sheikh Zaki Yamani had stated at a brief Press conference before his departure at the Islamabad airport that Saudi Fund for development would consider financial assistance to any energy-related project submitted by Pakistan. This has triggered off speculation as to which project Pakistan would present to the Saudi Fund.

The proposed Hydro-cracking unit would go a long way in cutting back the import of diesel and Kerosene in Pakistan.

At present Pakistan imports four million tons of crude oil and 1.6 million tons of Petroleum products like kerosene and diesel. After primary refining of crude oil into desired products about 1 million tons of fuel oil and 1.80,000 tons of naphtha is surplus which has to be exported.

The planned Hydro-cracking plant would help in the secondary refining of surplus fuel oil of about a million tons.

### DISTILLATES

Cracking would convert about 53 per cent of the fuel oil into the middle distillates, thus reducing the amount spent and the quantity of petroleum products currently being imported. The equipment planned to be imported for a cracking plant of nearly a million tons capacity include Hydro-cracking vacuum unit, Hydrogen plant, LPG, Me-rox, Naphtha reformer, Piping vessels, insulation and other bulk materials.

Feasibility study of the project has already been completed by Messers Enar, Petrotech Services of Karachi.

The Hydro-cracking unit would be a subsidiary of the NRL in which Islamic Development Bank hold an equity. The bank is thus also expected to take part in the financing arrangements of the Hydro-cracking unit.

EDITORIAL ON OIL SEES IT AS A 'NEW HOPE'

Karachi DAWN in English 7 Jan 82 p 5

[Editorial: "Oil: New Hope"]

[Text]

IT IS encouraging that the third well near Khas-kheli village in Badin has also produced oil – again at a not very great depth and of the same high quality as that of the output of the previous two wells. The Badin oil wells have assumed great significance for the country's economy for at least two important reasons. In the first place, estimates made of production from this field predict a daily

which is around what the rest of the oilfields in the country are producing. Another heartening aspect is that this is the first time that oil has been struck outside the Potohar region, and gives rise to hopes that more finds will be forthcoming. It will certainly be not only a source of inspiration to those technicians who have been labouring in these areas for years, but will also be an attraction for foreign oil companies, which are responsible for

much of the exploration work here. A ten thousand barrel per day output is no doubt modest by international standards, but for this country even this amount is of some importance. Production from the older wells have been falling off, and overall production has remained static for a few years now. Moreover, at 1,600 million dollars, the import bill for oil and related products takes up half of the country's export earnings – and demand is rising rapidly. If production from Badin makes it possible to cut down on imports by ten per cent, which is the expectation at the moment, then it will mean a considerable saving.

This is certainly a hopeful time as far as oil production goes. The Government has intensified the hunt for oil and certain changes have been made in strategy. One significant change is that drilling will now be undertaken in ten different sites

simultaneously. Previously, the practise was to drill at a few sites which had been identified by surveys, and only when these came to nothing were new sites chosen. Another hopeful sign is the interest shown by oil companies, and by Muslim countries which have indicated that they wish to help Pakistan — although this help may quite possibly be on a profit-sharing basis. Among these can be mentioned Kuwait, which is likely to invest in joint ventures with Pakistan for oil exploration here, and whose Oil Minister is due in March to finalise arrangements. A more recent development is the Saudi interest, evident during its Oil Minister's recent visit to

Pakistan. Not only have the Saudis agreed to supply Pakistan with light crude according to its needs – previously they insisted on supplying heavy and medium along with light – but they have also said that they will help Pakistan in its oil exploration efforts. It is not known in what form or on what terms this aid will be forthcoming, but it should be considerable help to this country, since the Saudis usually don't do things on a small scale. All in all, a hopeful time; as we have said earlier, and if ever a country needed a break this is it – to judge by the Government's desperate efforts to squeeze money out of every area, over which it has control, including services and products.

CSO: 4220/189

RICE SALES TERMS MADE FINAL

Karachi MORNING NEWS in English 7 Jan 82 p 8

[Text]

ISLAMABAD, Jan. 6: The delegations of Mauritius and Comoros finalised rice deals for the year 1982 after detailed discussions with the Pakistan authorities here this morning.

The Mauritius Minister of Commerce and Industry, Mr. D. Basant Rai, and the Comoros Minister for Finance, Commerce and Planning Mr. Said Kafe led their respective missions at the talks. The Chairman of the Rice Export Corporation, Mr. Riaz Ahmad Naik headed the Pakistani side.

Earlier, welcoming the two missions the Commerce Secretary Mr. Ishaqul Haque said Pakistan always did its best to ensure that the supplies to the buyer countries were smooth and conformed to the agreed schedule and quality. He noted that Mauritius was purchasing rice from Pakistan for the third successive year this year, while Comoros would be buying our rice for the second time. He hoped that the commercial relations between Pakistan and Mauritius and Pakistan and

Comoros would continue to develop in future.

The leaders of the two missions in their remarks expressed satisfaction over the previous transactions and said no problems were faced by them in that regard.

They also apprised each other of the economic environs and commercial atmosphere obtaining in their countries.

Mauritius and Comoros are expected to purchase larger quantities of rice from Pakistan this year.

Earlier at a meeting with the Mauritius and Comoros missions the Federal Finance Minister, Mr. Ghulam Ishaq Khan, stated that it is the consistent policy of the present government to collaborate with the Muslim countries in various directions especially in the economic and commercial fields.

The Finance Minister said that as enjoined by Islam the Muslim states should make concerted moves in developing their resources, achieving destr-

ed growth levels and resolving the problems that presently beset their economies. He said the dictates of Islam called for forging closest links for common good.

The leader of Comoros mission, Mr. Said Kafe, Minister for Finance, commerce and planning said that Pakistan was respected in his country as an important Muslim state and member of the Islamic Conference. He said Comoros advocated widening of scope of co-operation amongst the Muslim countries to their mutual advantage. He said with this end in view, Comoros desired to promote its relations with Pakistan.

Mr. D. Basant Rai, Mauritian Minister of Commerce and Industry and head of his country's delegation said that relations between Pakistan and Mauritius were characterised by extreme cordiality. He said that Mauritius wished not only to continue but also to strengthen the existing level of bilateral co-operation. —PPI APP.

CSO: 4220/188

PAKISTAN

BRIEFS

CONVICTIONS FOR SUBVERSIVE MATERIALS--Two young men, alleged to be members of the defunct Pakistan People's Party, Muhammad Shafi Sheikh and Kamran Rizvi, have been awarded ten years' rigorous imprisonment by the Special Military Court No. 38 under Martial Law Regulations 13 and 33, Section 120 of PPC and Section 16 of PCO. After announcing the sentence, Col Zafar Iqbal, Head of the Court, ordered his staff to burn the allegedly subversive material seized from the convicted in his presence. [Text] [Lahore VIEWPOINT in English 24 Dec 81 p 15]

BOOK FORFEITED IN PUNJAB--The Punjab Government has forfeited all copies of the book, "The Social Laws of Quran," written by Robert Roberts, published by the Sang-e-Meel Publications, Lahore. According to an official handout, the book contained material which "deliberately and maliciously intends to outrage the religious feelings of Muslims." The action was taken under section 99-A of the Criminal Procedure Code. [Text] [Lahore VIEWPOINT in English 24 Dec 81 p 15]

BOOK FORFEITED IN NWFP--The NWFP Government has forfeited all copies of the book entitled 'Tauheed-ul-masl,' written by Abdulla al-Ualfial Nooristani of Afghanistan and printed and published from Peshawar. The book, it is said, contains objectionable material likely to excite feelings of enmity among different sects of Pakistan on religious grounds. [Text] [Lahore VIEWPOINT in English 24 Dec 81 p 15]

PROFESSORS' GRIEVANCES REPORTED--The Punjab Professors Association has demanded an immediate solution of their problems and urged the higher authorities to pay serious attention to their demands. In a Press release of the Association it was regretted that nothing positive had so far been done to improve the working conditions for lecturers and professors. The President of the Association, Alhaj Professor Mahmood Ahmad Akhtar, said that the salaries of some teachers had been reduced since July 1, 1975. The senior Assistant Professors were the victims of unjustified policies as their salary had fallen even below that of the junior lecturers, he added. It was deplorable that in spite of representations made to the authorities at different levels, no attention had been paid to their demands. The College teachers in Baluchistan and Sind, the Press release said, had fared better as their problems had been solved this year. "In Sind and Baluchistan, the college principals get housing allowances, but in the Punjab they are deprived of this," the Press release added. [Text] [Lahore VIEWPOINT in English 24 Dec 81 p 16]

FEDERAL COUNCIL COMMITTEES FORMED--Islamabad, Jan 5--The Secretariat of the Majlis-i-Shoora (Federal Council) has formed six committees to deal with various matters relating to the forthcoming session of the Majlis which will commence here on Jan 11. Official sources said here today that the procedure and conduct of business in the Federal Council will be regulated 'as nearly as possible and so far as applicable by the rules of procedure of conduct of business in the National Assembly until new rules are framed.' The Council may discuss and consider, among other things, the legislative Federal and Concurrent List of 1973 and recommend to the President enactment of a law or amendment of an existing law relating to these matters.--APP [Text] [Lahore THE PAKISTAN TIMES in English 6 Jan 82 p 1]

MR BHUTTO ON COUNCIL--Larkana, Jan 5--Begum Nusrat Bhutto, Chairman of the defunct Pakistan People's Party, has said the members of her party who have joined the Federal Council have lost all links with the party. Mrs Bhutto told this correspondent today at Garhi Khudabux, where she had gone to celebrate the birth anniversary of her husband, that only two office-bearers of her party had joined the Federal Council--one from Karachi and the other from Larkana. Others had already been expelled from the party, she added. Earlier, Miss Benazir Bhutto, who is detained in Al-Murtaza in Larkana, also visited her father's grave after getting special permission from the Government. [Text] [Karachi DAWN in English 6 Jan 82 p 12]

JUI OPPOSES FEDERAL ACTION--Lahore, Jan. 5--The Central executive of the defunct Jamiatul Ulema-i-Islam (JUI) has said that all political parties should be taken into confidence to find out a solution to the issues confronting Pakistan. The central executive of the party which met here last night discussed the latest politico-religious situation in the country, besides organisational matters. It also discussed the case of those members who have joined the Federal Council. It said the Federal Council was no solution to the problems facing the country and decided to take action against those members who have joined it. [Text] [Karachi DAWN in English 6 Jan 82 p 12]

BAR ASSOCIATION ACTION--Lahore, Jan. 5--The Lahore High Court Bar Association has decided to issue notices for the cancellation of membership to its members, who have been nominated to the Majlis-i-Shoora. In a resolution passed at a meeting held here yesterday and reported daily "Nawa-i-Waqt" the Lahore High Court Bar Association said the country's political parties had rejected the idea of a Majlis-i-Shoora as nominated institution could not substitute an elected Parliament. It said according to status of an elected body to a nominated one, tantamounted to disgracing the sanctity of the ballotpaper. The resolution asked the Majlis-i-Shoora members not to take oath in this connection. The resolution further urged the President to declare null and void the nominated Federal Council immediately.--PPI [Text] [Karachi DAWN in English 6 Jan 82 p 12]

FERTILIZER, GHEE PRICES--Lahore, Jan. 6--With the recent increase in the gas prices, the prices of fertilizer and vegetable ghee are likely to be revised, since both of these industries use gas in large volumes. The Managing Director of a private urea company, which sells all its production to the government, said that the increase in gas prices enhanced urea's cost of production by Rs. 100 to

125 per ton. At present, the factory sells urea to the Government for Rs. 1,144 per ton, which the latter sells to the farmer for Rs. 1860. He said that he would ask the Government for increase in the fertilizer prices or reduce the present fertilizer development surcharge of Rs. 716 per ton. The National Fertilizer Company's chief said the impact was not calculated as yet. Similar was the reply by the Ghee Corporation of Pakistan. It may be mentioned here that if the prices are not enhanced, the Government will have to increase the subsidy to keep the prices at the previous level.--PPI [Text] [Karachi DAWN in English 7 Jan 82 p 1]

POLICE ACADEMY PLANNED--Islamabad, Jan. 5--The Government is planning to establish a national police academy in the country to provide senior police officers up to DIG level with latest professional knowledge and techniques, it is learnt. The proposed academy, to be controlled by the Federal Government, besides giving in-service training to senior officers will serve as a good institution for probationers, it is said. The Federal Government is also probing the possibility to convert the Police Training College in Sihala to the proposed national academy of police. The Sihala Police College, which is supposed to train junfor police personnels, is so far under the direct supervision of the Punjab Government. [Text] [Karachi DAWN in English 6 Jan 82 p 12]

LEADERS BARRED FROM PUNJAB--Lahore, Jan 7--The Punjab Government today extened four members of the defunct Tehrik-i-Istiqbal from the province for 90 days under the Maintenance of Public Order Ordinance. They are: Mr Mushir Pesh Imam, Secretary KGeneral, Mr Nafees Siddiqu, Secretary Information, Mr J.A. Rahim, member Central Working Committee of the party and the Begum Air Marshal Asghar Khan. While the first three were flown to Karachi, Begum Asghar Khan was sent to Rawalpindi on way to Abbottabad. The Provincial Government's order was served at the residence of the Acting Chief of Tehrik, Mian Mahmud Ali Kasuri where the Working Committee of the defunct party was in session. A separate order was served on Mian Kasuri warning him that the meeting was illegal and in case an attempt was made to continue it, legal action could be taken against him. It may be added that the two-day session of the Working Committee, which concluded here today, considered the political situation in the country, formation of the Federal Council ani prospects of having a broad based alliance with other political parties. [Text] [Karachi DAWN in English 8 Jan 82 p 1]

FEDERAL COUNCIL SESSION--Chairman of the Federal Council, Majlis-i-shoora, Khwaja Mohammad Safdar has said that the establishment of the Majlis-i-shoora is an interim arrangement and hoped that this arrangement would not be very long. Addressing a news conference in Islamabad this morning, he added the next session, which is expected to be held in early March, will be of a longer duration. He said this session would be crucial when the members would be on test and the position of this institution would be determined. He also said the Majlis would discuss fully the budget. [Text] [Karachi Domestic Service in English 1005 GMT 19 Jan 82]

MALAYSIAN DELEGATION ARRIVES--A 5-member Malaysian delegation led by the Deputy Education Minister Datuk Haji Suhaimi Haji Kamaruddin arrived in Karachi today on a 4-day visit to Pakistan. It will also visit Lahore and Islamabad. [Text] [BK181119 Karachi Domestic Service in English 1005 GMT 18 Jan 82]

PAKISTAN-SAUDI COMPANY--Islamabad Jan. 8--The Pak-Saudi Industrial and Agricultural Investment Company is holding the first meeting of its Board of Directors here on the Jan. 14 marking the operation of the company, Radio Pakistan reported here today. The two countries have already invested Rs. 10 crore each for the company which will have a total capital of Rs. 100 crore. The company will invest capital in Agro-based project and market their products in Pakistan and abroad. The projects will be appraised on the basis of their profitability so that they could add to the economic welfare of Pakistan and help increase the economic cooperation between Pakistan and Saudi Arabia. [Text] [Karachi MORNING NEWS in English 9 Jan 82 p 1]

EXPORTS OF RICE, COTTON AT 50 PERCENT--Islamabad, Jan 6--Pakistan earned Rs. 15,000 million as foreign exchange through the export of rice and cotton last year which is 50 percent of the total export earnings. This was stated in an interview with Radio Pakistan representative in Rawalpindi last night by the Federal Minister for Local Government and Rural Development, Syed Fakhr Imam. He said the credit of this export goes to the farming community living in far-flung rural areas which had been neglected by the previous government in providing basic necessities to the backbone of the country. The present government realising it, has focused all its attention towards the rural areas. He said the main emphasis in all the development plans for the rural areas is on the supply of water, electricity, schools, hospitals and roads. Syed Fakhr Imam said that another remarkable factor of the farming community was that the country became self-sufficient in wheat after thirty years. He called upon the farmers to redouble their efforts not only to keep up the tempo but to make the country grainery of the Middle East as President General Mohammad Zia-ul-Haq had desired. He said in present days, mechanisation of crop is of utmost importance. Nowadays only land and water are not basis of good crop but machinery and inputs also play vital role in increasing production, he added. [Text] [Karachi BUSINESS RECORDER in English 7 Jan 82 p 1]

PRINCE PHILIP TO VISIT--Karachi, Jan. 5--Prince Philip will be visiting Pakistan in the middle of next month to see the wildlife preservation work. The Prince, who is President of the World Wildlife Fund, will be visiting Kirthar National Park where over 3,000 Sind ibex listed endangered animals by the WWF, have been protected by the Sind Wildlife Management Board. He will also see at Kirthar the famous Sind ibex, the wild goats. [Text] [Lahore THE PAKISTAN TIMES in English 6 Jan 82 p 10]

PARTY APPEALS FOR ALLIANCE--Lahore, Jan. 7--Defunct party, Tehrik-i-Istiqbal has appealed to all the parties to desist from indulging in mud-slinging at each other as every issue excepting that of restoration of democracy has ceased to be relevant at this stage. The Working Committee of the party noted that the parties were wasting their energy in attacking each other although they should strive for the cause of restoration of democratic process. The party maintained that it stood for a broader alliance of all such parties as stood for restoration of democracy, the '73 Constitution rule of law and freedom of the Press. The meeting also decided to make arrangements for celebrating the birth anniversary of its chief, Air Marshal (retired) Asghar Khan on Jan 17 at the four provincial capitals and in London. It further decided that small functions would be held in this connection at different places from Jan 17 to Jan 25. The committee endorsed the decision to expel those members who had accepted nomination to the Federal Council and decided that those accepting the nomination in future would also be expelled. [Text] [Karachi DAWN in English 8 Jan 82 p 16]

PHILIPPINES

BRIEFS

STRIKE PROTECTION LAW PROPOSED--Labor Minister Blas Ople said the new labor relations law, otherwise known as Batasang Pambansa 130, will be strengthened this year with the expected passage of a companion measure protecting the right to strike and to picket. The proposed bill makes it unlawful for any person to interfere in or obstruct any peaceful picketing during a labor dispute, or to knowingly aid or abet such interference or obstruction. It also prohibits any public officer or employee or any armed person to transport or escort in any manner any scabs for the purpose of entering or leaving a strike-bound establishment. However, public officers are allowed to take measures necessary to maintain peace and order or to protect life and property during the strike. [Text] [HK030115 Manila Far East Broadcasting Company in English 2330 GMT 2 Jan 82]

PHILIPPINE COCONUT OIL--The Soviet Union has agreed to buy some 100,000 tons of coconut oil, worth \$56 million, from the Philippines, beginning this month. The deal was clinched by the First Lady Mrs Imelda Marcos in a recent meeting in New York with Oleg Troyanovskiy, the Soviet envoy to the United Nations. The deal constituted the first direct purchase of coconut oil by Russia from the Philippines. The envoy also said his country would buy any surplus production of the commodity. He stressed to the first lady that there is a great demand for coconut oil in Russia. [Text] [HK100104 Manila Far East Broadcasting Company in English 2330 GMT 9 Dec 81]

LAND FOR KKK PROJECTS--The armed forces' participation in the nationwide KKK livelihood program has received another boost with the setting aside of some 20,000 hectares of land inside the Clark Air Force Base for various livelihood projects. This was announced today by armed forces chief of staff General Fabian Ver, concurrently base commander of the Clark Air Base. General Ver said, of the original 53,000 hectares comprising the Clark military reservation, 91 percent or 48,000 hectares have already been returned by the United States Government. He said about 20,000 hectares of this reverted land will comprise the target area of a 10-year integrated area development plan. This plan, he said, calls for the development of agriculture, forestry and small to medium-scale industries to realize national livelihood objectives under the human settlements and KKK programs. General Ver said, tremendous social and economic impact will soon be felt in region three, especially the provinces of Tarlac, Pampanga and Zambales, from the implementation of this plan. During the same occasion, General Ver expressed his appreciation to Maj-Gen Kenneth Burns, commander of the 13th air force base at Clark, for his continuing efforts at cementing Filipino-American friendship. [Text] [Manila Domestic Service in English 0400 GMT 16 Jan 82]

LIVELIHOOD PROGRAM FUNDS INCREASED--The government will appropriate 1 billion pesos more for the Kilusang Kabuhayan at Kaunlaran [KKK] program this year, this was announced by Prime Minister Cesar Virata to newsmen last night. He said the amount will be in addition to the 1 billion pesos released by President Marcos for Kilusang projects when they were launched in September 1981. The Kilusang projects aim to make a rural area self-reliant. He also emphasized that the government has given priority to KKK projects this year and under the 5-year development plan. In the same meeting with newsmen Prime Minister Cesar Virata also said the government will lower the amount of tax incentives to private enterprises. He said the government is losing about 2 billion pesos annually in tax incentives. [Text] [HK070159  
Manila Far East Broadcasting Company in English 2330 GMT 6 Jan 82]

CSO: 4220/191

BRITISH MINISTER DISCUSSES TAMIL ISSUE

BK161016 Hong Kong AFP in English 0757 GMT 16 Jan 82

[Text] Colombo, 16 Jan (AFP)--Moves by a London-based Tamil secessionist group to unilaterally declare an independent Tamil state here were discussed yesterday by visiting British State Minister for Foreign and Commonwealth Affairs [Douglas Hurd] and Sri Lanka's Deputy Foreign Minister Tyrone Fernando, it is reliably learnt here.

The move planned by the Tamil Coordinating Committee (TCC) in London for January 14 was aborted, according to information reaching Colombo, because of lack of support here and in London.

But the independent SUN newspaper reported that it was the tough stand taken by the British Government that led the expatriate minority Tamil groups in the UK to abandon their plans to declare an independent state and set up a government-in-exile in London.

The SUN states that the TCC was warned of possible violations of the law and that the British authorities had turned down TCC overtures to obtain political asylum for some Tamils, including a politician from here who was to be present at the independence declaration.

The newspaper reported that the visiting British minister who arrived here yesterday had expressed satisfaction during the talks that the independence move had not occurred.

According to informed sources here, Sri Lanka's Foreign Minister Shahul Hameed visited London last month to brief the British Government on secessionist activities here and the moves planned in London.

These sources said that Mr Hurd, who left today for a 2 day visit to the Maldives, the Indian Ocean republic south of Sri Lanka, is also likely to discuss the question when he called on President Junius Jayewardene on Monday.

The Tamils have accused successive majority Sinhala-dominated governments of discrimination against them. Some of them, led by the Tamil United Liberation Front (TULF), the largest opposition party in the current parliament, are seeking a separate state.

However following racial violence last August and the declaration of an emergency, President Jayewardene's United National Party Government and the TULF started a dialogue to reduce social tensions and examine the grievances of the Tamils. The TULF disassociated itself with the independence move planned in London.

CSO: 4220/105

U.S. MIDDLE EAST MILITARY EXERCISES CRITICIZED

Bangkok SIAM RAT SAPPADA WICHAN in Thai 29 Nov 81 pp 14,15

[Article: "Bright Star,' a Different View"]

[Text] The largest United States military exercise to be held in the Middle East since the end of the Second World War has started, its purpose being to test the quality of the Rapid Deployment Force. It began on 14 November and will end on 15 December. Including the time used to hold secret combat maneuvers, "Bright Star 82" will last 1 month. Besides the United States, the countries taking part include Egypt, the Sudan, Somalia and Oman.

Bright Star 82

Concerning these largest combat maneuvers ever to be held in the Middle East, according to reports issued by U.S. Department of Defense officials, this is an attempt to show the countries in this region and the Soviet Union that the "United States fully intends to protect its friends and interests in this area."

U.S. Department of Defense officials stated that these combat maneuvers are considered to be a continuation of last year's small-scale maneuvers between the United States and Egypt and that the plans were made before the assassination of President Sadat.

Taking part in this combat exercise are 4,000 to 6,000 American soldiers in new gear that was designed for use in the desert. Also, approximately 500 military vehicles, from ordinary military trucks to artillery vehicles and M60 tanks will be used. C130 and C141 transport aircraft will be used. And B52 bombers will be flown nonstop from the Dakotas in the United States to drop bombs on targets in the Egyptian desert. On the flight over and back, the mid-air refueling method will be used three times. Exercises to practice sending in reinforcements, dropping paratroopers into the desert and so on will be held. For example, there will be joint attacks by Egyptian soldiers and U.S. soldiers from the Rapid Deployment Force and beachhead landings.

### The Views of the Neutral Arab Countries

Before the start of these combat exercises, the six neutral Arab countries, Saudi Arabia and Kuwait among them, held a conference and condemned the "interference by the great powers in this region." They also condemned the existence of foreign military bases in this region. Both of these statements look as if they were aimed at the United States and at those countries taking direct part in the combat exercises.

The newspaper THE KUWAIT TIMES in Kuwait criticized these exercises, saying that they will drag the countries in the region into becoming an arena of competition between the great powers. "This will destroy our intention and aim of having this region be independent and safe from interference by the great powers."

These protests by the neutral Arab countries caused the U.S. Department of Defense to try to reduce the perceived size and importance of these combat exercises. It stated that "these are normal combat exercises and preparations for them were made a long time ago."

### A Paper Tiger?

However, the remark that these are only ordinary combat exercises does not match the actual exercises that have been conducted. For example, paratroopers in new-style fatigues designed for use in the desert were sent in, field tents were set up around Egyptian air bases, there were beachhead landings in Oman, desert survival training took place in cooperation with Sudanese soldiers, attacks on mock targets were launched jointly with Egyptian soldiers and training in sending in reinforcements was conducted jointly with Somalian soldiers. All of these were large-scale combat exercises.

"You may say that these combat exercises put an end to the idea that the Rapid Deployment Force is a paper tiger," said one American soldier who took part in these exercises to a reporter.

At the same time, a stronger propaganda campaign against Libya is being carried on. Most recently, there have been news reports stating that Qaddafi of Libya has a plan to assassinate Reagan and important officials in the United States government. The United States has greatly increased its security measures for the president, secretary of state and secretary of defense.

### The Voice of the Extremist Arabs

For these reasons, the countries called the "extremist Arabs," which include Libya, Ethiopia and South Yemen and which have a mutual military treaty, are not at all happy about these combat exercises and they have been watching these exercises constantly.

These three countries held a conference last week and issued a condemnation of these combat exercises, saying that this will hinder development in this region, threaten peace and lead to a critical and dangerous situation.

"We call on the world community to stand side by side with us in opposing this dangerous situation, which has resulted from [their] arrogance about [their] power.

Ethiopia has declared that it is reviewing the basis for its policy of having relations with the United States "in case the United States does anything that might harm the interests of the nation."

Syria has gone even further, calling the countries that took part in this test of the efficiency of the U.S. Rapid Deployment Force "brokers of the imperialists." At the same time, Yassir Arafat, the leader of the Palestinian Liberation Organization, stated that this was one part of a secret plan between the United States and Jewish zionism to destroy the Arab countries. As for Libya's Quaddafi, he said that these combat exercises were aimed at Libya and that they may expand into an [actual] invasion of Libya.

### Support or Destruction?

President Husni Moubarek of Egypt, a country that was an important element in these exercises, stated that these combat exercises were necessary for the Rapid Deployment Force and that they "will help the Arab countries defend against invasion."

He stated that "we will certainly not carry out military operations against any country."

However, by sending troops all the way from the United States to deserts in the Middle East, it may not be possible to conceal the need of the United States to play the role of world policeman. There is a feeling among the leaders of several Arab countries, especially Libya, which is becoming a target of attack by the United States, that the United States is a threat. Thus, these combat exercises have increased the tension in this region to a level greater than that existing before the exercises.

11943

CSO: 4207/34

LAO EXILES USE THAILAND AS BASE FOR ANTI-LPDR MOVEMENTS

Bangkok SIAM RAT SAPPADA WICHAN in Thai 15 Nov 81 pp 5, 6

[Article: "Thailand-Laos: 1982, a Dangerous Year"]

[Text] Concerning the situation along the Thai-Lao border, Lao and Vietnamese military reinforcements have been moved up to several points along the border and they have acted in a provocative manner by firing into Thailand, firing on boats of the Thai Mekong River Operations Unit, shooting at Thai people fishing in the Mekong River and kidnapping Thai citizens and holding them for ransom. Between 1 January and 31 October 1981, there were 10 incidents.

This was revealed by Police Major General Samrit Singhapricha, the deputy commissioner of the Commissioner's Office of the Provincial 2. He said that Laos is drafting young people, giving them military training and putting them in the "Lon" militia (village militia) stationed in the villages. Duty schedules have been established and measures for maintaining security in the border villages have been stipulated. Secret government intelligence units have been established. They are stationed in the border villages and seek information concerning movements on the Thai side of the border.

1982- Dangerous

At the beginning of October, a group of Vietnamese soldiers stationed in Pak Thuai Village held a meeting concerning the situation along the Thai-Lao border. They requested that the heads of all nearby village militia units attend the meeting. The topics were: 1. During the 1982 dry season, attacks will be made on Thailand, the exiled Lao government and America and the people will be warned to take precautions. 2. Shifts for each village must be set strictly. 3. The important points along the border will be reinforced. 4. More youths will be recruited for military service. 5. The boats of each village must be gathered together in one place.

At the same time, they strictly prohibited any dealings with Thai people. In particular, the Lao village that grows vegetables at Dong Khai across from Bung Kan District received an order from the governor of Pak Sane to make arrangements for an average of 14 families to engage in gardening and take turns [with the other families] in clearing the jungle. Five Lao soldiers come to supervise things each day. The governor of Pak Sane strictly forbid Lao people from engaging in trade with Thais or from having any dealings with Thais, prohibited people from staying overnight at Don Khai and ordered people to work from 0600 to 1700 hours each day, with the gardening considered to be public work.

There were not just orders. Lao and Vietnamese naval boats constantly made reconnaissance patrols and transported supplies along the Mekong. Finally, warning shots were fired from the Thai side because they intruded into our waters. In the middle of October, eight large Lao motorboats came up the river from south of Ban Khaek. The two boats in the lead came within about 10 meters of the Thai side. Officials signaled them to withdraw but these boats refused to withdraw from the Thai side. Police officials and Regional Security Volunteers fired warning shots for about 10 minutes to force them to withdraw. Twenty rounds were fired by 05 Nato guns and 20 rounds were fired by carbine rifles. These Lao motorboats then turned to withdraw. Concerning this incident in the Mekong River, in February 1981, Laos fired on [boats of the] Thai Mekong River Operations Unit that were on patrol in the Mekong River near Don Pla Daek in Nakhon Phanom Province and officials of the Mekong River Operations Unit returned the fire.

#### Foreign Troops, an Obstacle

One cause of the conflict along the Thai-Lao border is the "National Salvation Army" of right-wing Laos who lost power when the government changed and the communist government of Mr Kayson Phomvihan took power. These right-wing Laos established a base at Doi San Luang with a force of about 100 men. And there are still many right-wing Laos scattered throughout Laos. Concerning the Lao forces, there have been movements of men, weapons and war materials and two additional companies have been brought up. Concerning these reinforcements, Vietnamese soldiers have often been placed among these forces to form a mixed force. Sending reinforcements has been necessary because, in the past period, Lao national salvation soldiers have become more active in the Thai-Lao border area. Ever since 19 October, right-wing Lao soldiers have been fighting red Lao and Vietnamese soldiers. Muong Sit and Muong Mom have been the targets of attack of the right-wing Laos. At present, they have moved up forces around these targets and

are making such heavy attacks that about 1 week ago the Vietnamese had to send reinforcements from the 17th Regiment or the 176th Mixed Regiment to clear the area where the fighting is going on but the right-wing forces have still not withdrawn.

The Lao national salvation forces sent a unit into Laos in order to ambush vehicles and military convoys coming from Pak Sane. It is understood that these were red Lao and Vietnamese soldiers on their way to inspect the military units at Ban Lak. This ambush unit used explosives and a clash broke out. Four red Lao soldiers and one colonel were killed.

Later, right-wing Lao national salvation troops [commanded by] Major Chao Lao travelled from Muong Sing in order to enter Thailand. When they reached Doi Phaphra, which is about 6 kilometers from Pak Ngao Village, a clash with red Lao troops broke out. It appears that five red Lao soldiers were killed and one was wounded. One right-wing Lao soldier was wounded but they managed to capture four A.K. rifles, sigars, grenades, and a large quantity of ammunition. But before the right-wing Lao soldiers could escape along the Fin River, red Lao soldiers pursued them and cut them off at various points along the Mekong River in order to prevent them from fleeing into Thailand.

Clashes along the Mekong River between red Lao soldiers and right-wing Laos take place regularly. River convoys transporting Lao soldiers and goods travel from Ang Yai Village to Sampana Village. But when they approach Sampana Village, they are fired on by right-wing Lao soldiers hidden in the jungle along the banks of the Mekong river who use small-calibre machine guns and M79s. The soldiers on the boats have to jump into the river and swim to the Lao side.

A news report stated that, at present, the Vietnamese forces stationed at various points in Laos include the following: Company 324 is stationed at the Nam Ngum Camp. It has K60 and B40 weapons and is commanded by Captain Bidong. Company 325 is stationed at Lao Kha Village. It has K82, B40 and K60 weapons and is commanded by Captain Nghien Quang Chan. Company 327 is stationed at Tha Bok Village. It has K60, K82 and B40 weapons and is commanded by Major Thong Tuan Chan. The Vietnamese soldiers stationed at Yoi Hai Village have K82, K60 and B40 weapons. Their duty is guard the bridge. The forces at Ban Lak have machine guns and AK rifles. The largest force is the unit of the 176th Mixed Regiment. It has K85s, AAA and K82 and K60 weapons. It has female nurses and Soviet-built amphibious vehicles. It is stationed at Nong Suom in Tha Ngon District.

Foreign troops, that is, Vietnamese troops, have been stationed in Laos and Lao national salvation forces are active along the border, ambushing red Lao and Vietnamese soldiers and then fleeing into Thailand, and this has had an effect on the internal security of both Laos and Thailand. Thus, because there are foreign troops in each country, suspicions about each other have arisen and relations between the two countries have not always been smooth.

#### Refugee Centers -- Right-wing Lao Concentration Centers

A news source stated that, in the refugee centers, three united front parties for national salvation have been established:

1. The Puteser Party operates in the northern part of the LPDR from Huai Sai Province, P.C. 4742, to the area bordering China.
2. The Pureser Party operates in the central region from Huai Sai Province to Luang Prabang.
3. The Pute Party operates in the south from Luang Prabang to Vientiane, Long Chaeng and Sayaboury.

All three united front parties for national salvation were established in 1978 by Lao officers, General Vang Pao and several committee members. Their major center is located in the United States. In Thailand, they have a center in Udorn Thani Province, with a control headquarters located outside Udorn Thani Province. This headquarters controls and coordinates the operations of the Puteser Party in Chiang Khong District. (There are two people with the Thai military rank of colonel in charge of operations in Chiang Khong. They are Colonel Phon and Colonel Chun.) At present, more than 100 of the 300 members from the Ban Tong and Ban Kae refugee centers in Chiang Kham District, Pha Yao Province, have undergone training in China. As for the rest, some are in training now and others will be sent on a continual basis.

All three united front parties for national salvation have received support from the United States through Thailand and China. The center in Udorn Thani Province is the center that established the various refugee centers in Thailand. The people at this center have had training in weapons and guerrilla warfare. It is China that has set up the training camps and provided the instructors. These camps are located near the Lao-Chinese border. The training courses last 4 months. After completing the training, the men are given weapons and sent back to carry on operations in the LPDR. As for the weapons and various war materials and the money to cover experiences during training, it is the United States that has provided all of these things to the Chinese government.

Members of the Lao, Meo, Yao, Mussuh and Ho Chinese groups have joined the united front parties for national salvation. As for Thailand, approximately 70 members of the Meo tribe have gone for, or are now in, training in China. Most are from the Meo villages in Chiang Khong District. There is no information about other places. One person who came to persuade others to go is Mr Laopakao Saehoe, a Meo from the Winai refugee center in Loei Province who is now serving as an advisor in China.

Thus, concerning the recent visit to Bangkok by Lao foreign affairs minister Phovn Sipaseut, it can be assumed that, besides the problem of opening contact points between Thailand and Laos in Ubon Ratchathani Province in order to increase trade, the problems that must have been brought up for discussion must have included the matter of the Lao refugee centers in Thailand, the border problem and, in particular, the problem of Vietnamese military forces in Laos and the matter of the right-wing Laos who are presently carrying on operations for national salvation. It can be expected in advance that these talks will fail since the two sides cannot agree about the facts.

11943  
CSO: 4207/34

## LABOR LEADERS PREDICT UNREST OVER LAYOFFS

Bangkok SIAM RAT SAPPADA WICHAN in Thai 29 Nov 81 pp 6,7

[Article: "The Labor Crisis, a Serious Problem For the Government"]

[Text] At present, the number of people being laid off and the number of protests and labor disputes is increasing alarmingly and this is leading to a very worrisome labor crisis.

### Destroying the Labor Unions

Mr Ekkachai Ekharkamon, the president of the Bangkok Municipal Water Works Labor Union and a member of the executive committee of the Workers' Council of the Labor Council of Thailand, stated that, between the beginning of 1980 and the end of September 1981, a total of 7,989 laborers from 62 companies were laid off, arrested or killed.

Concerning the release of workers, it appears that many members and committee members of the Labor Council have been laid off. For example, the K Thai Rubber Company claims that it must abolish some sections and so it has had to lay off 25 laborers who helped found the Labor Council. The Gas Tank Company released 168 union members and committmen. The Pacific Textile Company laid off six people. Siam Chemicals laid off 13 people, Thai Krieng 27 people, Siam Motors 13 people, Piyawat Industries 15 people, Siam Sahamit 15 people and so on.

Mr Ekkachai stated that "the employers probably chose to lay off those workers who are members and committee members of the labor unions because they do not like the labor union system and they want to destroy the labor movement."

As for the large number of lay offs, Mr Suphachai Manatphaibun, an economics instructor at Chulalongkorn University told SAPPADA WICHAN that "based on my talks with employers and workers, I estimate that in the past period, during which the minimum wage was increased, approximately 10,000 people were laid off."

## Labor Protests and Disputes

During the [first] 6 months of 1981, the Labor Department received 1,961 complaints from 8,991 laborers throughout the country. We can compare this to the last 3 months -- July, August and September -- during which there were 1,225 complaints from 4,275 workers throughout the country. Thus, it can be seen that the number of complaints from workers who have not received justice has increased at a much higher rate.

As for labor disputes and strikes during the first 6 months of this year, there were 105 labor disputes involving 57,266 workers and 18 strikes involving 3,070 workers and 64 days of work stoppage.

But during the last 3 months, there have been 45 labor disputes, which is a decrease in rate. As for the number of days not worked [due to strikes], the rate has increased; there have been 100.5 days of strikes. This shows that labor disputes between employers and employees using strikes as the form of protest have become more severs.

Besides this, based on labor inspections made by the Labor Department, of the 11,325 places inspected, only 3,222, or 28 percent, were operating in accord with the laws. In July, out of 2,143 places, only 608, or 28.37 percent, were operating in accord with the law. In August, out of 2,290 places, only 632, or 27.60 percent, were operating in accord with the law. And in September, out of 2,301 places, only 644, or 27.95 percent, were operating in accord with the law.

These figures on labor disputes, strikes and labor inspections provide a rough picture showing that the labor problem is becoming more tense.

## The Heart of the Laborers

It cannot be denied that the ever-worsening labor crisis has resulted from the economic problems. The medium-sized and small businesses are experiencing difficulties because of interest rates, oil prices, the market situation and so on and this has caused the labor market to decline.

Concerning the Labor Department finding jobs in Bangkok Municipality in September, it appears that the number of jobs found was 14.7 percent lower than in August while the number of job applicants rose 0.1 percent from August. Besides this, the labor needs of industrial, production, wholesale and retail sales, restaurant and hotel employers fell 27.1 percent from August.

"When the medium-sized and small industrial plants experience problems on several fronts, the people who experience the greatest trouble are the laborers," stated Mr Sunthorn Kaeonettra, a member of the executive committee of the Workers' Council of the Labor Council of Thailand. "The laborers have now reached the end of the road. We would like the employers and the government to open a way for us. If the limits have been reached, anything is possible. Thailand is a Buddhist country. When people can no longer stand it, they may have to steal food from the monks who pass by."

Mr Phan Wongdi from the Marine Transport Labor Union gave his views on the present labor situation. He said that things "are about to explode. There will certainly be an explosion if the government does not do something to solve the problems at the beginning of 1982."

"If the government cannot provide any help, the creed of 'an eye for an eye and a tooth for a tooth' will be something that cannot be avoided at the beginning of next year," stated Mr Phan.

#### The Way to Handle the Proposals of the Workers

Concerning the present situation, the frequent confrontations between workers and employers will increase. But in the present situation, even though the employers are having trouble, they are still cooperating closely with each other in the Employers' Association in order to block the appeals of the workers. At the same time, they are trying to weaken the labor union system. If this succeeds, later on the basic conflict between the employers and the workers will turn into a conflict between the government and the workers in conditions in which the government cannot make the employers follow the law, such as paying a minimum wage.

Mr Charoen stated that "I think that after the minimum wage was raised in October, fewer than 50 percent of the employers obeyed this law. But the workers will probably compromise out of fear of losing their jobs."

From a seminar on the labor crisis that was arranged by the Social Research and Union Institute for People's Rights, one of the appeals of the workers can be summarized as follows: "State officials should resolutely see to it that the minimum wage law is obeyed. When the law is violated, those guilty should be quickly fined or imprisoned."

Revolutionary Council Notice No 103 stipulates that the penalty for not obeying the minimum wage law is not more than 6 months in jail or a fine of not more than 10,000 baht.

This seminar proposed that there be measures for laying off and firing people: The use of technology should not be allowed to have an effect on labor use. Compensation payments should be increased in order to prevent employers from using this as an excuse for laying off workers.

An important thing is, concerning laying people off, Mr Ekkachai proposed that "a group of officials from the three sides -- the employers the workers and the government -- should be responsible for checking conditions at the work places in order to prevent employers from claiming that they are laying off people because of business losses."

"There should be effective short-term measures. Otherwise, the release of workers for no reason will happen all the time," stated Mr Ekkachai.

As for other proposals, an appeal was made to protect the labor union organizers and committeemen of the labor unions so they are not persecuted. The employers should give those workers who are labor union and labor federation committee members an opportunity to really administer things concerning labor. The state should promote understanding concerning the labor union system among both the employers and workers. Besides this, it was also proposed that the Council Code not be used to punish workers such as happened in the case of workers at the Eastern Steel Company. Social security laws should be quickly promulgated and the federated labor commission should be improved through elections and at a suitable rate.

Concerning the present problems, Mr Charoen stated that these problems must be solved using three measures. The first measure is that the government must quickly promulgate a social security law as a basis of security for the workers. The second measure is that hourly wage rates should be stipulated in order to give the employers and workers who have regular work an opportunity to earn a higher income. The final measure is that different wage rates should be set for the different levels of skilled labor in order to prevent the employers from hiring only the most experienced or most skilled laborers.

However, to really solve these problems, the government must cure the economic disease so that investments increase followed by expansion in the labor market. Otherwise, the problems will be solved in only a superficial way and it will be impossible to solve the labor crisis.

11943

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IRREGULARS PAID FOR BODY COUNTS; ATROCITIES, ALIENATION FEARED

Bangkok SIAM RAT SAPPADA WICHAN in Thai 29 Nov 81 pp 18-22

[Article: "The Rangers -- Lowering or Increasing the Number of Communists"]

[Text] At about the same time that the commanding general of the First Army Area was taking members of a House of Representatives military subcommittee and members of the mass media to see the activities of the "motorcycle lions," or rangers who are armed with antitank RPG weapons and who use motorcycles as attack vehicles, there was a news report that an entire company of rangers at Phattalung had been discharged by the commanding general of the Fourth Army Area for behavior violating regulations. They liked to take their military weapons outside their operations bases and terrorize the people. Even though an attempt was made to solve this problem by dismissing only those who were guilty of such actions, they may have induced or threatened others to do the same thing and so, in the end, it would not have been possible to solve the problem for good. And so the final measure, the dismissal of the entire company, took place.

What Is the Difference?

Concerning the rangers, or ranger volunteers, there is a great difference between theory and practice. In theory, the things that the government has tried to stress, demonstrate and induce people to see and that it has talked about constantly are the good qualities and capabilities of the rangers. For example, concerning the "motorcycle lions," who are used to make forward reconnaissance patrols and who fight in areas where other vehicles cannot go, Major General Chawalit Yongchaiyut, the director of the Directorate of Operations, said that "this is worth the effort if even one Vietnamese tank can be destroyed."

But in practice, the thing that has happened is that there have been reports concerning acts of terrorism against the people and violations of the country's laws by these rangers. Such acts include the killing of 11 people in Nakhon Sithammarat and the case of rangers invading a police station, seizing a suspect, firing at policemen and marines and tearing up a camp along the Chanthaburi-Trat border. And to date, the rangers involved in these two cases have not been caught.

These various actions (which are reported at the end of this article) have not only made it impossible for Thai officials to solve the communist problem, which was the hope behind the establishment of these volunteer ranger units, but have even been a factor in making the problem worse.

#### An Internal Struggle

The ranger volunteers are a clear concrete example of the fact that Thailand is in the camp of the United States since the United States is the country that thought of forming a rapid deployment strike unit, or of having mobile units to suppress mobile units, with the aim of arming the people in order to use them to fight against guerrilla warfare. In the end, these units developed and became the Thai rangers and units known by various other names in the other countries where the United States has played a role.

This idea certainly originated from the Vietnamese war. It is believed that the original military plan, which was to use main forces, or regular troops, to fight the guerrilla armies, was regarded as worthless because it would be easy for the enemy to ambush such troops. Or, if they were sent out on operations, it would probably be a large-scale operation requiring artillery or air support and this would slow down things and keep things from being done in time. Also, the use of main forces has another weakness and this concerns their topographical expertise.

In the period 1965-1966, Thai officials began to revise their communist suppression policies. The aim was to use armed civilians as the leading forces in the fight, with the army and police as reinforcements. At the same time, psychological operations were to be used too in order to call on other people to take part in helping the government suppress the communists.

This idea developed gradually. More and more people became involved in this program to arm the people and several groups were formed, with the rangers being one of the last groups to be formed.

### The Search and Destroy Unit

From the very beginning, the people have called the rangers the search and destroy unit. It was established in accord with Article 16 of the Communist Activities Suppression Act of 1952 and the revised Communist Activities Suppression Act (3rd version) of 1979. General Prem Tinsulanon, in his capacity as head of communist activities suppression, signed the order.

The formation of the rangers was done in accord with the views of Thai officials. The aim was to have a small and highly mobile armed unit that could carry out operations immediately. The government felt that the rangers, who would be selected from among the local people and, in particular, from among those who had had prior experience as mercenaries in Laos or other countries, would have a good understanding of the local problems and be skilled at walking in different types of terrain, which would be of great advantage in a guerrilla war and in suppressing ambushes by the enemy.

The rangers have constantly expanded in size and number. Starting in the northeast, they have now expanded throughout the country. And last August, General Sak Bunyatharakun, in his capacity as head of the People's Volunteers for Development and Self-Defense Center, said in an interview that the Ministry of Defense has been allotted money to establish another 40 companies of rangers throughout the country.

The army's policy, as stated by General Sak, is to have the rangers act in place of main force troops in suppressing the communist terrorists. The army will stress keeping the regular soldiers ready to fight outside enemies.

### Policy 66/1980

Concerning Order 66/1980, General Prem Tinsulanon, who was the person who signed this order, stated that "in order to quickly put an end to the revolutionary war carried on by the communists, which is important and which is a threat to the security of the country, there must be a policy of taking the political offensive which stresses operations on all fronts in order to destroy the united front movement and the armed forces ...."

Among the operational steps mentioned in this order, which is now thought to be a guide for conducting the war against the communists, there is one point that says:

4. Concerning operations involving armed forces, the types and sizes of the forces and tactics must be discussed so that they are in accord with the situation in each area in order to continually put pressure on and destroy the armed forces [of the enemy]...."

This is the task of the rangers in accord with the meaning of Order 66/1980, which will continue to be used.

#### The Origin of the Rangers

In considering the size of the forces, the thing that was stressed was using small forces in order to suppress similar forces used by the Communist Party of Thailand. Thus, it looked more and more as if the rangers were a necessity. They were first used in four or five provinces in the lower part of the northeast. They then expanded throughout the country. There are both secret and public budgets for them. The sources of their weapons are both secret and open. Some of the weapons come from the free world camp -- for example, the United States provides M16s, M79s and M26 grenades -- and some come from the communist world -- for example, China provides AK rifles and RPGs, which are what Khmer Rouge soldiers use, and Sakase.

Those who become rangers are by definition, or are designated by government officials as, "volunteers." They voluntarily joined just like the soldiers who went and fought in Vietnam and Laos.

In general, standards and qualifications for volunteers are not very clear. Those who volunteer to join the rangers will probably be accepted if they have a [good] conduct recommendation from their village headman or district officer, for example. Those who have been in combat before are given special consideration.

However, there is one important standard used in selecting rangers and that is that people who live in "war conditions" -- that is, they are being oppressed and terrorized both by state officials the military and the police and by communist terrorists -- and who want to fight and solve the problem will be selected.

The general conditions for accepting people into the rangers are as follows:

1. Be poor and without work.
2. Have been in combat before. These people will be given special consideration.
3. Be between 18 and 60 years old.

4. Be openly patriotic.
5. There is no education requirement.

It can be seen that strict standards for admitting people into the rangers have not been stipulated. This is a problem that arose about 4 or 5 years ago. The army once stipulated various qualifications. Concerning education, the volunteer had to have completed lower secondary school and there was an age limitation. This was the reason why few people volunteered to be rangers. In the end, the standards had to be greatly relaxed.

After being selected, a ranger is given 3 months of weapons training. After that, he is given a weapon to keep and is sent out to operate in various areas, usually in infiltrated areas.

According to regulations, after rangers have been out on operations for 2 or 3 months, they must return to base, return their weapons and go visit their families. They are given the task of gathering information and collecting detailed data on the various movements in their village and of reporting this to their superiors upon their return. After 7 days, they must return to their base and wait to go out on operations again.

When carrying out duties, these rangers carry food, mosquito nets, cots and both personal and group weapons.

Units that go out on operations seldom have more than 20 men. Units that go out on temporary operations have three to five men. They go out and establish temporary bases in infiltrated areas and they eat and sleep in the jungle. Their main task is to "search for and destroy" communist terrorists on sight.

The civilian activities of the rangers are mass activities. Emphasis is placed on engaging in mass activities among the villagers in the villages that they pass through according to their search and destroy plans. These are the same types of activities engaged in by the mobile units of the Thai People's Liberation Army.

Their lives continue in this manner year after year. They stop when they die or, if they become bored, they can resign from service.

## Sphere of Operations

Normally, the rangers work together without any clear regulations. They live their lives and carry out their duties, or things outside their duties, with great independence. For example, in performing their duties, they may not have to wear uniforms. They also have powers in accord with the communist act. They can kill communist terrorists, villagers who are suspected of being the informants, or village activists of, the communist terrorists or people who support the communist terrorists. This can be done without waiting for approval from headquarters, without any investigation and without any consideration for justice.

The rangers have such great power in conducting operations because of Article 22 in the Communist Activities Suppression Act of 1952, the essence of which is that, in the event of the death of a suspect -- for which there are fitting reasons because of actions which violate this act or because the suspect was killed in an area infiltrated by communists -- at the hands of officials who are performing their duties or if the suspect dies while under the control of officials who are carrying out their duties:

"The officials must make an investigation. Or a commissioned officer, appointed by the commander in that area, and government public health officials must make a careful investigation."

But there is an exception that says that "if it appears that conducting an investigation will obstruct the suppression operations of the officials or endanger officials who are carrying out their duties, it is not necessary to conduct an investigation."

Besides the power given them by this article, they have powers in accord with Article 20 of the same Communist Activities Suppression Act. This article states that "in areas declared to be areas of communist infiltration, the communist activities suppression director, police officials with the rank of sub-lieutenant or above or administrative officials with the position of deputy district officer or higher have the power to search and arrest suspects in accord with this act without having to have a search warrant or warrant for arrest. And they have the power to make searches and arrests at all times and in all places."

Besides this, in accord with Article 10 of this act, concerning the actions necessary for the preservation of national security, no one can appeal for compensation for [damages] resulting from these actions."

The rangers have made full use of these powers.

#### The Right Thing or a Mistake?

Each ranger receives a daily allowance of 30 baht and another 6 baht to cover food expenses. However, a special bonus for the rangers is the "body count" bonus. They receive a bonus of 10,000 baht for each communist terrorist they kill, cutting off the head as evidence.

The command structure of the rangers is rather simple and direct. The commander in chief of the army sets policies and orders are passed to the commanding general of the army area. From him, orders are passed directly to the head of the ranger company. The provincial governor, the police, the district officer and the village headmen do not have any power over the rangers.

Their legal powers, training, tense manner of living and remote chain of command, the lack of strict military discipline, the economic necessity arising from the minimum wage and the loopholes in the recruiting regulations -- such as no educational or age restrictions, with even those younger than 18 accepted -- have all created weaknesses in the operations of the rangers. These are things that have given rise to a zealous, irrational and untrained army that loves warfare and violence and that uses its weapons unthinkingly since it has received only 3 months of training. In addition, the behavior of these people before they volunteer is not checked. Without doubt, these weaknesses have caused the rangers, or government "guerrillas" who are used to fight the communist guerrillas, to create problems rather than solve problems.

#### Ranger Atrocities

The following is a list of the illegal actions of the rangers as compiled from the end of 1979 to 1981:

1979

At 2300 hours on 6 October 1979 approximately 10 rangers carrying M16 rifles stole 6,000 baht from Mr Phairong Khammi, who was driving from Nakhon Sithammarat to Ranong. This took place at the Ban Yangdong intersection in Village 1, Thachi Commune, Nasan District, Surat Thani Province.

On 10 October 1979, rangers seized two motorcycles belonging to Mr Phaisit Chanhabun and Mr Wiraphong Intharaphat, who live in Village 3, Duansiri Commune, Ban Nasan District, Surat Thani Province.

At 1000 hours on 2 November 1979, three rangers, Mr Thamrong Atisat, Mr Suphon Saephu and Mr Charat Khongduang, went and "requested" 20,000 baht from the Thai Pattana Mining Company in Huai Mut Village, Nasan District, Surat Thani Province. However, they did not get the money.

At 1300 hours, they went and "requested" 20,000 baht from the Hin Huat Mine but they received only 10,000 baht. At 1400 hours they went and demanded 1,000 baht from the rubber purchasing store of Mr Surasak Phuwithayathon but they were not given the money.

At 1700 hours on 12 November, when Mr Sarong Chuangthong and Mr Anon Saekuan drove up to Ban Pha in Kraikhung Commune, Phra Saeng District, Surat Thani Province, in the checkpoint area near the house of the village headman, eight rangers flagged the car to stop and then robbed them of 30,000 baht. They even told them to [get ready to] give them another 50,000 bhat on 8 December.

At 1830 hours on 23 November 1979, Mr Chamrat Hitaket and Mr Chalieu Hitaket were shot and killed for some unknown reason. This happened on the Asian Highway in the Yang Dong area of Village 1, Thachi Commune, Nasan District, Surat Thani Province. The rangers who were in the area included Mr Thamrong Atichati, Mr Niyom Saephu and Mr Suphon Saephu.

On 28 November 1979, a group of rangers stole a small truck from Mr Sophon Thawisin. This took place in Phruraphi Commune, Nasan District, Surat Thani Province.

On 30 November 1979, a group of rangers stole 2,170 baht from Mr Samak Phanlek, a teacher at the Tuan Mahachai School in Phruraphi Commune, Nasan District, Surat Thani Province.

At 2000 hours on 2 December 1979, three rangers stole 33 bags of ore, four rifles, two radio cassette tape players and three watches from the Nasan Mining Company. The total value of the goods stolen was 500,000 baht.

On 4 December 1979, 10 rangers carrying M16 rifles went to ambush Mr Prem Unason, the headman of Village 8 in Khiensa Commune as he was walking back from the district conference hall. However, someone went and told Mr Prem about this ahead of time. Mr Prem fled and hid with the villagers in that area and sent someone to inform the police in order to ask for protection. When the police arrived in order to protect Mr Prem, they encountered these rangers. A clash took place. One policeman was killed and two of the rangers were wounded. The rangers then seized

an M16 rifle and a pistol from the policemen. This case is a noteworthy example because military officials have verbally pressured the police to report that this clash took place against communist terrorists.

On 6 December, rangers stole two trucks and sold them in Krabi Province. They received 200,000 baht for the trucks. This took place in the Lak area at Kilometer 18, Thadong Chang Commune, Phunphin District, Surat Thani Province.

At 2000 hours on 31 December 1979, six rangers robbed a tour bus in Phun Phin District, Surat Thani Province.

1980

On 13 January 1980, rangers from the company stationed at Village 13 in Ban Na Commune, Muang District, Phattalung Province, ambushed and shot Mr Chamroen Prachumthong in Ban Na Commune, Muang District, Phattalung Province.

On 18 January 1980, rangers robbed a tire shop near the public health clinic in Yantakhao District, Trang Province.

On 6 March 1980, three rangers with M16 rifles killed eight villagers and wounded 12 others. Among those killed were two Grade 6 school children. The killings resulted from a personal dispute. To date, it has not been possible to arrest Mr Prasop, or Cho, Songthaen, a ranger, and his two accomplices.

At 1100 hours on 15 March 1980, a group of rangers abducted and raped Miss Yen Chanthanun, age 17, at Pak Thang Village in Khaosai Commune, Phattalung Province.

On 18 March 1980, a group of disgruntled rangers went to see a movie at the movie theater in downtown Phattalung. They did not pay and were not allowed to enter. They then threatened to throw a grenade.

At 21 hours on 10 June 1980, a group of rangers surrounded the house of Mrs Pan Suwannamani in Village 5, Chawang District, Nakhon Sithammarat Province. They dragged Mr Chamnan Duangtrakun and Mr Somphon Mukaeo out and, claiming that both men were wanted by the authorities, shot them to death in the courtyard of the house.

At approximately 2100 hours on 23 June 1980, Police Master Sergeant Saat Neukamhaeng, a marine policeman stationed in Satun Province, and his wife, Mrs Prayong, and their three daughters were driving from Satun to Nakhon Sithammarat. When they reached the area of operations of the rangers stationed at Mai Sieap Village in Chauat Commune, Chauat District, Nakhon Sithammarat Province, Staff Sgt Saat stopped the car in order to urinate. But at that exact moment, rangers opened fire on the car, killing Staff Sgt Saat and two others. The rangers claimed that they had opened fire because they thought that terrorists were attacking.

On 3 July 1980, 30 rangers from Operations Base 401 in Nai Sun Village, Thasala District, Nakhon Sithammarat Province, went to the house of Mr In Innarong. They seized his son, named Plaek, and Mr Chaeng, a neighbor, who had come to his house. On their way back to their base, they forced 10 other villagers to go with them as hostages. The two who were arrested and the villagers who had been forced to accompany them vanished. The rangers told Mr In, the father, that they had not arrested Mr Plaek or anyone else.

In August 1980, a group of Regional Security Volunteers and rangers entered a house at 70 Village 3 in Karo Commune, Thasala District, Nakhon Sithammarat Province, and shot and killed Mr Hit Chattidaeng, the owner of the house, and his 5-year-old grandson who was playing nearby.

At approximately 12 hours on 14 August 1980, rangers arrested Mr Somkuan and Mr Pin Mumuong at a village in Karo Commune, Thasala District, and took them to Operations Base 401. At dawn the next day, they took their bodies and left them at the temple pavilion for their relatives to come and take back for religious services.

On 24 September 1980, a group of rangers killed Miss Plum Phansino and Miss Chamnong Phongthongmuong in Huai Yai Village, Sinthpon Commune, Khaophanom District, Krabi Province.

On 4 October 1980, in the same locality, rangers killed Mr Chuai Phetcharasuk on the road leading into the village. Also, they followed his wife, Mrs Chap, and shot her in her house. After this happened, they announced that others were prohibited from taking care of the bodies and that they were to be left to rot. They also burned down the house and barn of Mr Chuai.

On 14 October 1980 in the same locality, Mr Wirot Phongthongmuong was killed.

On 15 October in the same locality, Mr Win Bansinpun was killed. Gasoline was poured over his body and the body was burned to ashes.

On 20 October 1980, Mr Somnuk Phongthongmuong, the assistant village headman of Huai Yai Village in Sinpun Commune was killed. His head was cut off and stuck on a pole, which was placed along the path into the village.

It is worth noting that there are only 17 rangers in this group. They have set up a temporary operations base at the home of Mr Wichien Khuanchan, the kamnan of Sinpun Commune.

Besides ruthlessly killing various people, this group of rangers has burned the barns of villagers, including those of Mr Chuai Phetcharasuk, Mr Samran Sisuk, Mr Win Bansipun, Mr Fuong Phongthongmuong, Mr Khai Phongthongmuong, Mr Sen Phongthongmuong and Mr Wirat Phongthongmuong.

On 21 July 1980, a group of rangers entered the house of Miss Noknoi Phutphan in Village 7, Karo Commune, Thasala District, and raped her while she was taking a bath.

On 3 August 1980, a group of rangers went to a house in Hamlet 6, Natham Village, Karo Commune, Thasala District, seized two villagers and beat them up badly.

1981

At 1500 hours on 11 January 1981, three rangers led by Mr Suchat, last name unknown, shot Mr Siin Bunruon with an 11-millimeter gun at his house in Village 3, Chawang Commune, Nakhon Sithammarat Province. After that, relatives of the dead man protested to the police but the rangers threatened them to make them stop their protests.

On 28 April 1981, rangers robbed the house of Mr I Sutthikan and Mr Roman Sutthikan at 54 Village 3 in Nakhien Commune, Nakhon Sithammarat Province. They tore up the house looking for goods and shot the men to death.

On 27 April 1981, Mr Chalaem Nuanyom, a ranger, got into a fight with Mr Wichien Sisuk, an ordinary villager. Mr Chalaem had grabbed the dance partner of Mr Wichien while Mr Wichien was dancing and a fight broke out. Later, Mr Chalaem was still angry and so he took a group of rangers and surrounded Mr Wichien's house. They fired at the house with M79 antitank guns and Mr Chalaem [sic] and his friends were killed.

On 28 April 1981, five rangers from operations group 4151 in Phruraphi Commune, Surat Thani Province, and two policemen from the provincial police station in Wiengsara District robbed a southern-line train just as it was about to stop at the Ban Son railroad station in Surat Thani. They killed the railroad policeman and two passengers.

On 2 May 1981, rangers from Naitun Village killed Mr Phan Changkhong Changkhongsi near Wat Samosan in Thasala District, Nakhon Sithammarat Province. The motive is not known.

On 7 May 1981, rangers robbed Mr Chum Khongthong, the assistant village headman and the commune doctor in Thawa Village, Karo Commune, Thasala District, Nakhon Sithammarat Province, while he was walking back after receiving money in accord with the government's rural area work program. Mr Chum was killed and all the money was taken.

On 10 May 1981, rangers shot and killed Mr Win Ratchani, a member of the Village Defense Corp. He was a rubber tree grower who lived in Suan Mak Village, Thonhong Commune, Phahomkhiri District, Nakhon Sithammarat Province. He was shot while eating at home. There had been criticism that he supported the communist terrorists.

At 1300 hours on 21 June 1981, a group of rangers shot and killed Mr Phin Sapsarachon, age 35, in the same locality.

At the beginning of June, Mr Wiwat Khongthongkham, a teacher at the Wat Thambannara School in Chawang District, Nakhon Sithammarat Province, was shot and killed by rangers in front of pupils who were studying.

On 18 August 1981, during a funeral at Village 4 in Kamphaengsao Commune, Nakhon Sithammarat Province, which was attended by approximately 200 people, nine rangers carrying M16 rifles entered the area. At first, the villagers did not realize the danger they were in. But then there was the sound of a whistle and these rangers fired many rounds of ammunition into the crowd of villagers attending the funeral. Signals were given periodically with the whistle and when the whistle was blown the fourth time, they retreated. Eleven people were killed and 16 were wounded.

On 23 October 1981, a group of rangers invaded the provincial police station at Bong Namron, shot off the lock of the prisoner cell and took out the prisoner, who was a ranger who had been arrested on charges of carrying a war weapon in a public place. They then fired shots at the police station to keep the police from following them and stole the vehicle of an irregular [soldier] and shot the owner who would not break through a marine post. After breaking through the post, they returned to their operations

base, took off their uniforms and fled. To date, even though the navy has ordered that these 14 rangers be captured and turned over to the police, there has not been any news as to whether they are still at large or not.

Besides this, there are also the actions of the rangers in various situations that are not at all related to the maintenance of peace or the defense of the country. For example, throwing grenades at a temple fair in Phetchabun Province last month killed and wounded several people. The only reason for this was some personal conflict.

11943

CSO: 4207/34

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